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Foreign Commerce WEEKLY

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MODERN TURKEY HAS SPLENDID STRUCTURES

Foreign Commerce Weekly

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THIS WEEK

What Imports Mean to Small Businessmen 3
War-Torn Low Countries' Bulb Industry and Trade 6
Markets Abroad for American Insecticides 7
Turkey: Economic Trends in the Year of War's Crisis 12
New Transandean Railway to Link Chile-Argentina 14

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News by COUNTRIES

Argentina 16
Bermuda 16
Bolivia 16
Brazil 17
British East Africa 18
British Honduras 18
British West Indies 18
Canada 19
Cuba 21
Dominican Republic 22
Ecuador 22
French Equatorial Africa 22
Guatemala 23
Haiti 23
Iraq 23
Mexico 23
Panama 23
Peru 40
Spain 40
Sweden 40
United Kingdom 40
Uruguay 40

News by COMMODITIES

Automotive Products 24
Beverages 24
Chemicals 24
Coal, Coke, and Fuel Gases 24
Construction 25
Electrical Machinery and Equipment 26
Foodstuffs and Allied Products 26
Iron and Steel 30
Leather and Related Products 30
Livestock 30
Machinery, Other Than Electrical 30
Metals and Minerals 31
Motion Pictures and Equipment 32
Naval Stores, Gums, and Resins 32
Paints and Pigments 32
Petroleum and Products 33
Rubber and Products 33
Shipbuilding 34
Textiles and Related Products 34
Tobacco and Related Products 35

REGULAR DEPARTMENTS

Contributor's Column 41
Trade-Mark Applications 41
Latin-American Exchange Rates 43
Pertinent Comments on World Economy Today 17
Trade Lists 43
Announcements Under Reciprocal Trade Agreements Act 42

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What Imports Mean to Small Businessmen

An Acute Realization of Imports' Importance Has Been Induced by Wartime Shortages—We Come To Know That Diverse Products From Abroad Are Almost Indispensable

By SARAH C. SAUNDERS, *Division of Small Business, Bureau of Foreign and Domestic Commerce*

ARE YOU A SMALL DEALER? And do you still think that foreign trade affects only the big fellows? If so, perhaps you have been so busy recently that you have not had time to examine your stocks carefully. Such a thoughtful inspection would doubtless prove a revelation. Small *manufacturers*, too, have a big stake in foreign trade, although it has taken a war to bring the fact home to many of us.

If you are a groceryman or a fruit dealer, you have surely missed the big bunches of golden bananas which were formerly taken for granted. You had access to almost 52,000,000 bunches of bananas before the war curtailed our imports from the other American republics. Since that time you have doled out the few you have been able to get as if they were precious stones. True, you can sell all you can get. Your customers almost fight over them—the green ones, even the scrubby ones you used to throw away—and some people glare at you because you do not have enough to go around.

You almost never have enough of anything to go around these days. There are many reasons for the shortages, but some of the items are missing from your shelves largely because the Nation's entire supply of those articles has to be *imported*.

Pinch Has Been Sharp

Spices and condiments of all kinds have practically disappeared from grocers' inventories. The reason: they have to come from abroad. In 1941, the United States imported nearly 60,000,000 pounds of pepper, black and white, mainly from the Netherlands Indies. That year approximately 3,500,000 pounds of cinnamon from Ceylon, nearly 15,000,000 pounds of cloves from British East Africa, almost 4,000,000 pounds of mustard seed from China, more than 8,500,000 pounds of nutmegs, mainly from the Netherlands Indies, nearly 4,000,000 pounds of mixed spices and herbs from British India, and more than 1,000,000 pounds of sage, which came to us from Spain but which probably grew in Yugoslavia, found their way in neat little packages to our grocery shelves or into our bakery products, prepared meats, pickles, dressings, and so on. Now many grocers find their accustomed space empty, or they have to fill it with an entirely different item; and our food prccessors are searching for substitutes. The current scarcity of spices reminds us of that time long ago when spices were so vital to the European world that a search was begun for a safe route by which they could be brought from India—a search which resulted in the discovery of the new Western world which is America.

Bakers and confectioners—and most food dealers in turn—have felt the lack of many products which they formerly had in abundance. Coconut meat to a total volume of almost 127,000,000 pounds was brought from the Philippine Islands in a normal year before the war. Lately few coconut cakes, pies, or candy bars have been offered for sale.

"Sweet" Situation

More than 693,000,000 pounds of chocolate or cocoa, either in the bean or already processed, made its way into the country in 1941. The supply came from Trinidad, from Central and South America, from Nigeria and the Gold Coast. War cut the supply short, and the armed forces recognized the nutritive value and the morale-building quality of sweets made with chocolate. Hence the rows of hungry civilian eyes which haunt candy dealers today.

Decreased imports have lessened the available supplies of other types of fruits and of sweetmeats and nuts. More than 26,000,000 pounds of dates, mainly from Iraq; over 1,000,000 pounds of ginger, almost all from China; approximately 11,000,000 pounds of avocados from Cuba; nearly 15,000,000 pounds of pears from

The proprietor of the metal-working shop—a typical small business—simply could not operate without such tools as this small back-geared lathe. And the lathe could not do its appointed work without the presence in the steel of metals that are *imported* to this country from foreign lands.

Photo by Philip Hanson Hiss

Are small retailers in this country interested in this pile of material down in Dutch Guiana (Surinam)? They may not realize it, but they *are*—because this is bauxite, being readied to become a United States *import*. Come VJ–Day, such bauxite will probably go into aluminum kitchen utensils that eager buyers will clamor to take off the retailer's shelves.

Argentina; approximately 16,000,000 pounds of nuts from Portugal, 32,000,000 pounds from Brazil, and 5,000,000 pounds from China—all these depended on shipping to reach United States dealers in 1941. The fact that stores have had fairly plentiful supplies of fresh pineapples during the war years is due to their being brought by rail from Mexico.

Almost 10,000,000,000 pounds of sugar made up a year's imports before the war. Curtailed shipping and subsequent decreases in supplies necessitate the rationing restrictions on this item which have plagued hard-pressed grocers, commercial users, and individual consumers.

Delicatessen Trade Hit

If you operate a delicatessen or specialize in fancy imported groceries, your loss has been serious. Portuguese sardines and anchovies, tuna fish from Costa Rica and Japan, herring from Newfoundland and Labrador, Russian caviar, fancy olives from Spain, all the expensive imported cheeses, and many other items have disappeared from your stocks together with the profits derived from them; and they will not be back until the unhampered movement of goods between countries again becomes possible. European countries are already trying to resume the exportation of luxury commodities to the United States, not only as a means of establishing trade but also as a means of creating dollar balances with which to pay for United States goods. For example, only recently a small shipment of European cheese arrived in the United States.

The Case of Coconut Oil

At times during the war, dealers have found it difficult to maintain their stocks of soaps at prewar levels. One factor which caused the shortage was the lack of coconut oil, which is needed in varying amounts for the manufacture of soaps—the general run of soaps made in the United States normally containing from 15 to 25 percent of coconut oil. This oil, which is crushed from copra (the dried meat of coconuts), was imported, principally from the Philippines, in an average volume of nearly 363,000,000 pounds from 1937 through 1941. In addition, 336,000,000 pounds of oils were contained in our copra imports during the same period. On the fall of the Philippines, the supply was cut off. However, copra can now be obtained again from the Islands. The ships which go out loaded with war materials can bring back copra, but the available supply will be limited by several factors.

In the first place, residents of the Philippines need and want many kinds of United States goods. They are not interested in money for their copra but instead want trade goods. Our capacity for transporting goods out to the Philippines is, of course, limited by the amount of shipping space that can be spared from vital war materials. There is a limit, also, to the transportation facilities available for getting the copra from inland collection centers within the Islands to the coast for loading on United States ships. The copra will have to be crushed after reaching this country, since the Philippine mills have been seriously damaged.

Floral Oils, Drug Materials

Before the war, large quantities of the essential and floral oils and some of the aromatic chemicals used in the preparation of perfumes, cosmetics, and other toilet preparations were imported into the country. Some of the most expensive perfumes sold in our shops were made in France. With foreign sources cut off, United States manufacturers of these items—some of whom are small operators—were forced to develop formulas using substitutes which were obtainable locally.

Druggists have come to realize, too, that some of their popular products had been made from formulas using imported materials. Millions of dollars' worth of basic materials for medicinal preparations were imported in 1941. Since that time we have felt the loss of many of them. When trade with the Netherlands Indies is opened up again, America will have access to quinine, which was used in large quantities before the war. Iceland, Japan, Newfoundland, and Labrador sent nearly 2,000,000 gallons of cod-liver oil into this country in 1941. Decreases in these supplies affected not only human consumption but poultry feeds as well, since well-raised chickens and turkeys must have their vitamins, too.

Rubber and Leather

It is no secret that almost our entire supply of natural rubber was cut off by Japanese seizures in the Pacific. Most manufacturers of rubber products are in the big-business group, but many retailers are classified as small business. Approximately 56 percent of all tires were formerly sold by independent dealers, the majority of whom were small businessmen. Loss of rubber has resulted in many of these tire dealers shifting their emphasis to a service program rather than a sales program. In other words, instead of selling new tires, the dealers are doing their best to keep the old ones in good running condition through inspection, recapping, and so on. Retailers of novelty and sporting-goods lines have lost from their stocks many of the articles formerly made from rubber. Department stores have had their share of dissatisfied lady customers vainly hunting for foundation garments and other items containing elastic. Many manufacturers, dealers, and ultimate consumers are looking toward the day when large quantities of natural rubber will be available. Imports seem reasonably certain to loom large again when the Japanese are driven out of the rubber-producing countries.

War demands for leather have caused restrictions on the manufacture of many kinds of small leather goods. For example, no belts or women's handbags can be manufactured from bovine leathers in the United States. Retailers, who handle these items and who found their supplies about to be cut off, turned to the other American republics. As a result many of our shops are showing small leather goods bearing labels such as "Made in Mexico" or "Made in Argentina."

Oriental Goods

The small shops which specialized in oriental goods have had their supplies cut off. Many of them have turned to the Latin American countries for jewelry

and novelties of various kinds. Imports in the fields of chinaware, glassware, silverware, jewelry, and objects of art from Europe and Asia, with a value of millions of dollars, have been cut drastically as a result of war conditions. Some of these products were not competitive with those produced in the United States but rather complementary. Small dealers who formerly sold them lost a considerable source of income, since the profit on them was good. Rugs with a dutiable value of approximately $7,000,000 and a retail value of much more were imported in 1941. A considerable portion of the sales of this commodity is handled by small businesmen.

Laces and Embroideries

The hundreds of small specialty shops which formerly sold imported laces and embroideries, linens, ribbons, and so on, have lost a veritable fortune until such time as they can replenish their stocks. In a high import year, laces and embroideries together with wearing apparel trimmed with the same—baby dresses, for example—were brought into the country in a volume which had a retail value of possibly $92,000,000. Linens in such a year had a retail value of approximately $26,000,000, while in any given year sales of imported ribbons brought a considerable sum.

Imported handkerchiefs alone probably accounted for only slightly less than $10,000,000 in retail sales in a normal year, since profits on imported specialties are heavy. Real silk, of course, has been a war casualty. It is one product which we can obtain from China in the postwar period in exchange for some of the goods made in the United States and needed badly by China.

For Protective Coatings

While domestic production of tung oil has mounted to 10,000,000 pounds, the supply available for the manufacture of paints and varnishes has reached low levels compared with what it formerly was, and prices are high. Tung oil for use in quick-drying protective coatings was imported from China to an average volume of 100,000,000 pounds yearly in normal times. Perilla, oiticica, and castor oils, which likewise contain quick-drying qualities, are normally imported also.

Increased production of both industrial and consumer goods in the postwar period will undoubtedly call for increased production of paints and varnishes. Drying oils for that purpose must be imported. Therefore imports of these oils will be necessary for the protective-coating industry. Many of the paint manufacturers and most of the dealers are small businessmen. Large numbers of consumers also fall into the small-business category.

Bristles and Exotic Fibers

In 1941, nearly 6,000,000 pounds of bristles were shipped into the United States from the Far East. A large part of the brushes manufactured from these bristles were made in small factories, and the better grade of brushes are 100-percent bristle. Since high-quality bristles are available only in greatly reduced quantities, because of the occupation by Japan of large bristle-producing areas of China, it has become necessary to use alternate materials. These have included mixtures of horsehair and bristles, horsehair and vegetable fibers, and other combinations. Many of these combinations resulted in a somewhat less satisfactory product.

Remember "'way back when" . . .? Those were the good old days! More recently the scarcity of bananas (to use a moderate term) has brought home to small businessmen and customers alike an acute realization of what this one *import* meant.

Approximately $48,000,000 worth of fibers of types not produced in the United States in any appreciable quantities—hemp, sisal, jute, kapok, and so on—were imported into the United States in 1941. Many products made or sold by small firms are dependent upon imported fibers, among them millinery, certain fabrics, rugs and carpets, rope, twine, pillows, and life-preservers. In 1941, free-of-duty undressed furs valued at more than $104,000,000 were imported. Much of the work of processing these furs for market is done by small operators.

Seeds, Bulbs, From Abroad

To one who has not been concerned with the import situation, it will probably be something of a surprise to know that we imported close to 68,000,000 pounds of field and garden seeds and approximately 188,000,000 flower bulbs in a good year before the war. A list of the places from which they came will sound like a travel directory: Grass seeds from Australia and New Zealand; vegetable seeds from the United Kingdom, Spain, the Netherlands, France, Denmark, the Canary Islands, and British India; tree and shrub seeds from El Salvador; flower seeds from the Netherlands, France, Austria, Italy, and the Dominican Republic; hyacinth, tulip, narcissus, crocus, and lily-of-the-valley bulbs from the Netherlands (see, in this connection, the special article on page 6 of this issue); and lily bulbs from Japan. Many of these were sold to the customer across the counters of small stores. These have had seeds and bulbs to sell since imports have been curtailed, but *decreased* quantities are available.

Tobacco and Liquor

It is needless to say that the situation in cigarettes and cigars is tight. Nor-

(Continued on p. 42)

"Imported dinnerware and stemware" says the sign over these goods displayed by a small retailer. There is always a call for such merchandise from abroad, along with the demand for our excellent domestic products.

War-Torn Low Countries' Bulb Industry and Trade

By GLADYS G. CHANEY, *Foodstuffs Unit, Bureau of Foreign and Domestic Commerce*

ONE TRANSLATION of Omar Khayyam contains the passage: "The tulip from the ground looks up." The tulip from its beginning has held great charm for many people. The Dutch in the Netherlands planted them by thousands, as well as numerous other varieties of bulbs, such as the hyacinth, narcissus, crocus, gladiolus, iris, and others.

Interest in what has happened to the bulb industry in the Netherlands and Belgium during the war is widespread. In the following paragraphs are set forth the facts so far as they are ascertainable this spring.

Most Difficult Year

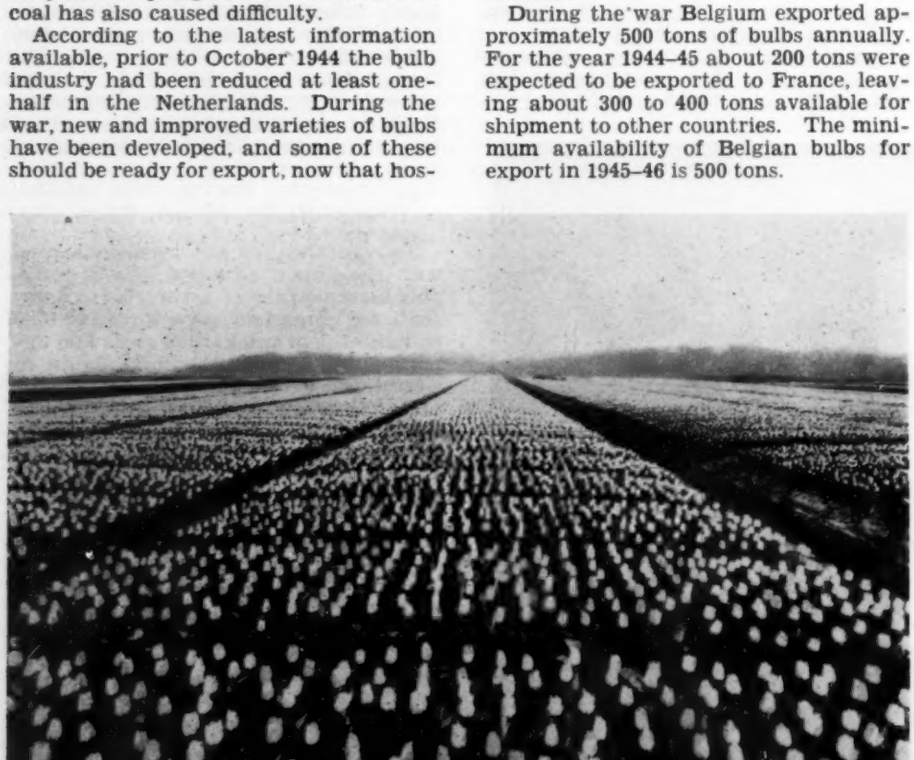
The past year has been an extremely difficult one for Belgian nurserymen. Many hundreds of greenhouses were partially or totally destroyed by bombs dropped on the railroad yards, particularly in the spring of 1944. The lack of coal has also caused difficulty.

According to the latest information available, prior to October 1944 the bulb industry had been reduced at least one-half in the Netherlands. During the war, new and improved varieties of bulbs have been developed, and some of these should be ready for export, now that hostilities are ended. There were some exports of bulbs to Germany and Sweden during the war. The extent of the damage due to flooding and other adverse conditions in the Netherlands cannot yet be precisely ascertained.

New bulb developments, it may be noted in passing, must have taken place under extremely difficult conditions.

During the occupation of the Netherlands and Belgium by the Germans, large quantities of bulbs were shipped to Germany, to Berlin and other large cities "to beautify the parks" (parks now blasted and blackened by bombs and shells). It was probably thought that these would be the nucleus of a postwar business.

During the war Belgium exported approximately 500 tons of bulbs annually. For the year 1944–45 about 200 tons were expected to be exported to France, leaving about 300 to 400 tons available for shipment to other countries. The minimum availability of Belgian bulbs for export in 1945–46 is 500 tons.



Courtesy Netherlands Information Bureau

Spread over great areas of the flat Dutch countryside are these fields of tulips at Lisse, in the Netherlands.

U. S. Purchases

The following table shows the import of tulip bulbs into the United States for the years 1938 through 1941. It is apparent from the figures that the 11,000,000 tulip bulbs imported in 1940 from the United Kingdom, formerly were imported directly from the Netherlands; undoubtedly, these were sent to the United Kingdom, to keep them out of enemy hands, and later shipped to the United States.

United States Imports of Tulip Bulbs

Country	1938	1939	1940	1941
	Number	*Number*	*Number*	*Number*
France	173,850	154,100		
Netherlands	97,143,918	110,984,792	11,880	
Japan	1,052,528	1,207,199	4,875,760	
United Kingdom			11,194,193	34,300,966
Turkey			24,000	
Canada				75,763

New Methods in Belgium

Brussels nurseries have reported that azaleas used in general for indoor winter flowering are grown in Ghent in a way quite different from that which prevailed in previous years. These are now available for shipment, and will be ready to bloom around November and December. These do not compete with the United States varieties at that time of the year.

In Flanders at present there are nearly 1,400 nurseries employing from 1 to 5 persons, and 186 larger nurseries employing from 6 to 100 workers. In 1943 the total number of workers in the nursery trade was 4,976. Before the war, a very large proportion of the Belgian production went abroad, 90 percent going to the European markets. The exports of horticultural products from Belgium through 1939 were as follows:

Year	Kilograms	Francs
1937	9,309,500	76,311,000
1938	9,264,600	78,639,000
1939	7,030,900	51,333,000

Reportedly, 420,000 kilograms of bulbs, valued at 18,615,000 francs, were exported in 1942, as well as 11,500 kilograms of cut flowers valued at 1,919,000 francs.

Outlook Not Bright

During the years 1940–43, Germany purchased most of the Belgian bulbs. During the war the exports to Germany

(Continued on p. 15)

Markets Abroad for American Insecticides

By L. N. Markwood, *Chemical Unit, Bureau of Foreign and Domestic Commerce*

EVENTS in the last 5 world-shaking years have highlighted the importance of insecticides, and have demonstrated not only their absolute necessity in the modern world, but the better life they make possible for the individual.

Safeguarding the world's food supply, its health, and its output of industrial crops places a heavy responsibility on insecticides. When peace comes, social progress will demand much more food than was produced in the prewar world when whole masses of population dragged through life undernourished. A larger output, more intensive cultivation, and greater need for protection will be the sequence. The goal cannot be reached without adequate protection by insecticides.

The word "insecticides" as used in this article includes not only insecticides but fungicides, disinfectants, and other related products generally associated with the industry. The trade recognizes two major divisions—Agricultural and household. In the agricultural category belong the well-known arsenicals, calcium arsenate, lead arsenate, paris green, white arsenic; copper sulfate and other copper fungicides; sulfur and derivatives (lime sulfur); certain fluorine compounds; rotenone-containing products; pyrethrin-containing products; petroleum-oil sprays; nicotine sulfate; and numerous other types. The household group includes ant poison; fly spray; mosquito repellents; moth repellents; roach poison; rodenticides; weed killers; disinfectants; and nonpersonal deodorants. This itemization covers a great variety of both standard products and trade-marked specialties. To be added to the list worthy of special mention is the new insecticide, DDT (dichlorodiphenyl trichloroethane), of anti-typhus fame. Because of its newness and the absence of commercial exploitation, not much can be said about DDT at present, other than that it shows unusual promise and may considerably affect the status of many older insecticides. As in the case of several other products, its value lies in both the agricultural and household fields.

Extent of World Trade

The international aspect of insecticide trade is not too well portrayed by official records, since many countries do not particularize in import classifications. The available record, by geographic area, is shown in table 1 for the years 1937–39. Data for 1939 are incomplete for certain areas, owing to the outbreak of the war.

TABLE 1.—*Total Imports of Insecticides, by Geographic Area and Value, 1937–39*

Area	Value (in thousands of dollars)		
	1937	1938	1939
Europe	$7,265	$6,710	(1)
North America:			
Northern [2]	1,209	1,262	$1,542
Southern and West Indies	2,002	1,462	1,661
South America	2,643	2,355	2,714
Asia	2,143	2,488	2,667
Oceania	1,220	1,232	1,071
Africa	2,982	2,764	(1)
World total	19,464	18,283	(1)

[1] Incomplete.
[2] Exclusive of imports into the United States: 1937, $3,467,000; 1938, $3,545,000; 1939, $4,458,000.

The rounded figure of $19,000,000, based upon 1937–38, may be taken to represent the extent of world trade before the war. Europe occupies first place in the area break-down, with imports of approximately $7,000,000. France accounts very largely for the European position through heavy imports of copper sulfate, which is of considerable importance to the grape industry of that country. Bulgaria and Greece also contribute heavily to the European total, likewise because of copper sulfate.

Algeria and the Union of South Africa dominate the African import picture. Copper sulfate and other copper compounds comprise the principal items in Algeria, these fungicides being necessary for Algerian viticulture. Certain other parts of Africa are worth singling out, namely, Kenya and Uganda, Southern Rhodesia, Tanganyika, French Morocco, and Belgian Congo. Animal dips, copper fungicides, and insecticides make up their principal import items. In addition to the usual European sources, the Union of South Africa supplied a significant share of imports to its continental neighbors.

The South American import market revolves chiefly around Brazil, Argentina, Venezuela, Colombia, and Peru. The main items comprise agricultural insecticides and fungicides—arsenic, lead arsenate, calcium arsenate, copper sulfate, animal dips—as well as household insecticides of various kinds.

The geographic area of Asia covers a considerable portion of the globe, and its population maintains a substantial interest in insecticides. The Netherlands Indies and British India lead in the magnitude of imports. Lead arsenate (for treating tobacco) and copper sulfate represent the principal import commodities of the two countries, but disin-

Courtesy Department of Agriculture

Source of insecticide: Exposed root system of a cube plant (*Lonchocarpus*), Peru.

fectants also come in for a large share. Turkey and China have brought in an appreciable volume of various insecticide products, the specific nature of which cannot be determined from official records, although they appear to be mostly of the household type. Manchuria and British Malaya also are among the leading import countries of Asia.

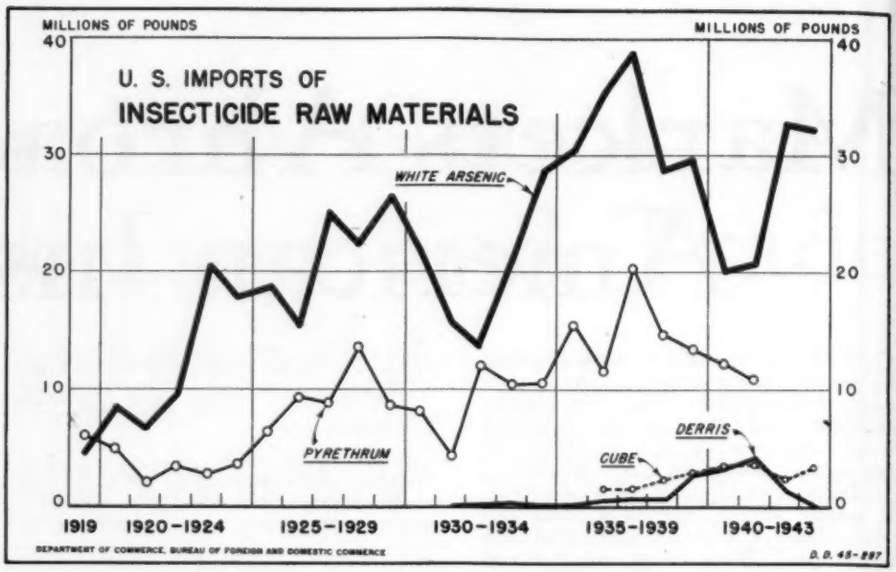
Oceania refers essentially to Australia and New Zealand. The latter has been the heavier insecticide importer, largely because of "sheep dip" required for the important cattle industry of that country. Australian imports enter to a large extent under the classification of "nicotine and derris spraying preparations," the bulk of which is supplied by the United States and smaller quantities by the United Kingdom. These imports consist chiefly of nicotine sulfate.

In North America, aside from the United States, Canada occupies the position of leading insecticide importer. The range is broad, with such principal items as household products, copper sulfate, and nicotine sulfate. Among the southern countries of North America, Guatemala, Honduras, and Mexico show significant import trade. Here, copper sulfate (for controlling the sigatoka banana disease) and calcium arsenate (for cotton) represent the important products.

United States as Importer

The importance of the United States in the international picture as an importer of insecticides must not be overlooked. Imports in 1937–38 averaged $3,500,000, equal to one-half of all of Europe's imports for those years, and advanced to $4,500,000 in 1939. There are three principal commodities—all raw materials—that make up this volume, namely: Pyrethrum flowers, rotenone-bearing roots (cube, derris), and arsenic. The botanicals of this group are produced commercially only in certain foreign lands. Although domestic production of arsenic has been appreciable, it has been necessary for many years to import additional supplies to meet the heavy demand for this prime raw material, which is the backbone of the agricultural insecticide industry.

There can be little doubt that pyrethrum and rotenone will continue as substantial import items for some time to come. It is possible, however, that the need for foreign arsenic will gradually diminish. This view stems both from enlarged domestic output during the war and from the possible replacement of arsenical insecticides by other types. DDT, the most likely replacement material, has been under intensive investigation since its introduction in this country about 3 years ago, but it is too early to assess its ultimate position in insect-control programs. Should it replace lead arsenate in codling-moth control on apples, for example, the arsenic demand could decline by about 5,600 tons, or 14 percent of total consumption, based on 1941 figures. The tonnage decline would be still greater based on consumption in 1944.



Cube and derris do not grow in this country, but they thrive in the more tropical regions. Pyrethrum can be grown in the United States, in many areas, but much hand labor is required, which makes production uneconomic in this country. The development of a mechanical picker has been a step toward solving the problem, but because of heavy over-all costs the farmer finds it more profitable to raise other produce.

In addition to these exotic materials, there are others required for domestic needs, namely, red squill from Mediterranean lands, nux vomica (source of strychnine) from India, and thallium sulfate from northern Europe.

Postwar Demand

Even before the last shots of the war are fired, a tremendous demand will have arisen for all sorts of insecticides, disinfectants, and other sanitation supplies. War breeds pestilence and disease and the devastated areas have few materials and little opportunity for adequate protection against the inroads of vermin. The clean-up measures necessary to restore normal standards of sanitation wherever insects, germs, and rodents have held sway mean an extraordinary demand for many types of household products, such as fly sprays, bedbug killers, roach poisons, ant poisons, rat killers, germicides, deodorants, and fumigants.

The expected increase in food output during the coming years cannot be realized without adequate application of protective insecticides and fungicides. Likewise, the stimulated demand for fiber crops (cotton for example) requires a broader program of insect control. Domestic cotton growers fully realize that to hold their own in world markets they must attain a high acre-yield at minimum cost.

The increased chances of insect infestation, brought about by international air transport, have created a further outlet for insecticides. It is already mandatory to fumigate planes operating in international commerce. To what extent consumption of insecticides and fumigants will be increased in the postwar era, when planes become as common as automobiles, cannot be predicted, but the figure will be significant.

Another favorable feature in the postwar sanitation program is the increased battle against insect pests, by peoples all over the world, brought on by events of the war. Where formerly there was apathy toward insects in relation to health and human comfort, there is now the knowledge of, and the desire for, control.

For a number of years, the more farsighted members of the industry have specialized in developing a specific treatment for a particular insect problem. This trend will gather momentum throughout the industry as the range of materials increases, and it will mean a larger aggregate of output. A continuous outpouring of new products, especially of organic synthetics, can be expected, inasmuch as this trend had already begun more than a decade ago. The sensational success of DDT has played a large part in stimulating research for other meritorious insect killers.

All of these factors add up to a considerable postwar expansion in trade, both foreign and domestic.

United States Export Trade

Export trade looms large in the postwar plans of the United States. It has been estimated that, after a period of immediate postwar readjustments, United States exports might amount to $7,000,000,000 annually as compared with an average of some $3,200,000,000 during the late thirties.[1] A similar expansion in insecticide exports would carry the total

[1] See "Foreign Trade After the War," by August Maffry and Hal B. Lary, Economic Series No. 23, Bureau of Foreign and Domestic Commerce, Department of Commerce, October 1943. See also "Foreign Trade in the Post-War Economy," by August Maffry, in the Survey of Current Business for November 1944.

for this group from $5,000,000 in 1939 (about 10 percent of domestic output) to $11,000,000 after the war. Such an expansion does not appear unreasonable in the light of the export record up to and including 1943, in which year insecticide exports amounted to $8,250,000 (table 2).

TABLE 2.—*United States Exports of Insecticides, by Commodity, 1937–43*

[In thousands of dollars]

Description	1937	1938	1939	1940	1941	1942	1943
Agricultural	2,811	2,870	3,101	4,412	6,371	5,693	6,499
Copper sulfate	1,212	1,229	1,157	2,294	2,951	3,444	3,075
Calcium cyanide						411	593
Nicotine sulfate	317	304	303	310	388	324	510
Calcium arsenate	243	216	301	206	285	282	484
Lead arsenate	91	95	160	242	872	73	375
Pyrethrum extract					319	(1)	(1)
Paris green						36	196
Seed disinfectants					91	95	185
Petroleum oil sprays	90	71	83	105	65	121	131
Rotenone root, powder extract						91	34
Chloropicrin						24	22
Tobacco extract					12	65	
Miscellaneous	858	955	1,097	1,255	1,388	727	894
Household	1,625	1,709	1,874	1,759	1,605	933	1,764
Insecticides	1,364	1,461	1,583	1,380	1,215	647	1,348
Disinfectants	261	248	291	379	390	286	416
Total	4,436	4,579	4,975	6,171	7,976	6,626	8,263

[1] Data not releasable.

NOTE.—Where blank spaces appear, no figures are available.

The remarkable increase in exports for the 7-year period ended 1943 attests the essentiality of this class of product. The war years, instead of bringing about a decline, stepped up United States export trade to an all-time high. The expansion is attributed almost altogether to agricultural insecticides, inasmuch as the household group remained practically static. The 1942 slump in household insecticides reflects a materials and transport shortage, but not a reduced demand, and has a small counterpart in the easing-off of agricultural exports during that year.

Significant Export Items

Most significant among the items in table 2, which are arranged according to value in 1943 (or the latest year available), is copper sulfate, one of the most effective fungicides known. The export volume of this product far exceeds that of any other commodity shown. This chemical is of special importance to the so-called banana countries—Honduras, Guatemala, Costa Rica, and Panama—for controlling sigatoka disease. Colombia and Mexico also require it for the same purpose. From an export level of $1,200,000 in the late thirties, copper sulfate has gone beyond the $3,000,000 figure. There is no substitute for copper sulfate against sigatoka, a banana disease which became a serious threat about 1935. Since the economy of Central America is strongly linked to the banana crop, the outlook is for an even greater market for this fungicide. Canada also figures prominently in copper sulfate exports, where the consumption includes industrial uses, such as ore flotation, electroplating, and electric batteries.

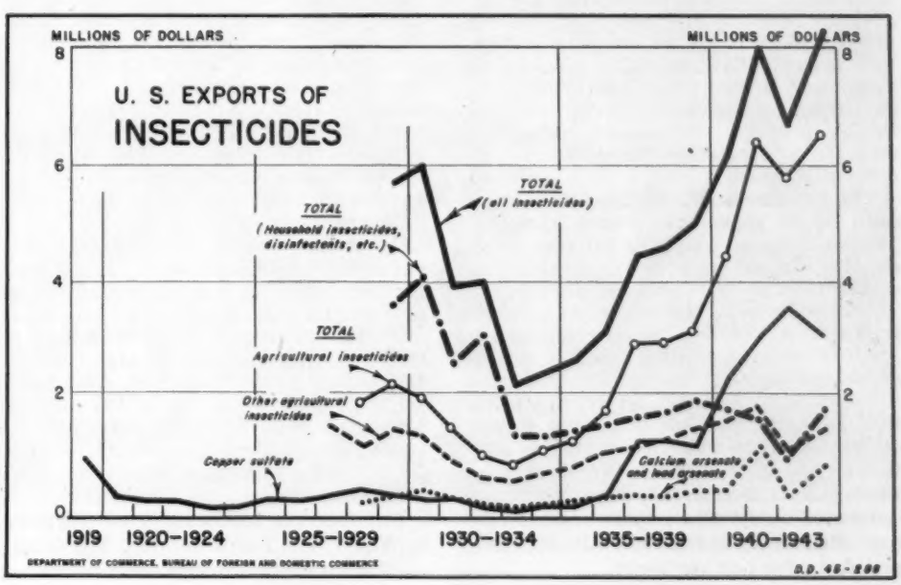
Calcium cyanide was exported at a $500,000 level in 1942–43. Some of this material may have been used abroad for mining and other purposes, but from available information the end use is primarily pest control. Many countries, where rodents, ants, and other pests create serious problems, find this toxicant indispensable. No new products have come along to displace it in its typical applications, therefore a broadening market is in prospect. The Union of South Africa has been the outstanding importer from the United States, but other countries, particularly Southern Rhodesia and Australia, have also come into the market at intervals.

Exports of nicotine sulfate showed remarkable stability during the period 1937–40, at a volume slightly greater than $300,000. There was a moderate advance in 1941 to $338,000, then a recession in 1942—probably because of shipping difficulties. The sharp advance in 1943 (to $510,000) portrays the unusual world-wide demand for nicotine sulfate brought on by the war. Never has there been so heavy a demand as in the last 2 years, and because of the limited supply a tight situation has arisen. Some doubt exists as to the postwar position of nicotine, since rotenone, pyrethrum, and DDT will challenge it. Four countries normally comprised the major markets: Japan, Canada, Australia, and New Zealand. Japan alone took between one-third and one-half of total United States exports in its heavy-buying years. The denial of nicotine to Japan from the United States probably has meant a dislocation to the pest-control program of that country, unless Russian supplies were available.

The foreign market for calcium arsenate has been substantial for a number of years. Domestic producers have turned out high-quality material for many years, a matter requiring "know how," and United States brands are in favor abroad. Latin America has been the best market, and Peru, because of large cotton acreage, is the leading consumer. Mexico, Colombia, and Venezuela also have figured prominently. Inevitably, however, local production, where lime and arsenic can be had, attracts interest, and these materials are not rare in the Western Hemisphere. Therefore, although the 1943 volume of exports doubled that of 1937, the level of 1943 may not be maintained. This situation is discussed further under Mexico and Peru.

Lead arsenate exports also have increased phenomenally—in 1941 reaching almost 10 times the 1937 figure. The high point of 1941 has not been maintained, however, as it represented an unusual demand on the part of one country (Brazil), which is not likely to be repeated. In prewar years Argentina, Chile, New Zealand, and the Union of South Africa were the principal outlets.

Pyrethrum exports go out in the form of pyrethrum flowers, flower powders, or extract. As narrated so often in the press of late, pyrethrum—which must be imported (largely from British East Africa)—has played a life-saving role in our war effort by killing the mosquito that spreads malaria. But, years before the war, the demand for pyrethrum in this country, as the basic ingredient of the household fly spray, had reached the level of big business. The high-water mark was established in 1937, when 20,000,000 pounds were imported. Under security regulations now in force, foreign-trade data cannot be released on pyrethrum for any year after 1941. In that year, exports of the extract—the principal form going out—amounted to almost one-third of a million dollars, with



Courtesy Department of Agriculture

Unloading barbasco at a dock on the Amazon for shipment to the United States.

Egypt and Canada the principal outlets. Many other countries, however, are registered in export trade under this commodity. Pyrethrum extract, although normally consumed in compounding fly sprays, now serves almost exclusively as the basic ingredient of the insecticide aerosol used by the military service. A refined grade has been developed for this purpose. The peacetime potential of the aerosol can be only speculated upon at this time, but many persons in the trade foresee a bright future. Given an ample supply of raw material, exports of pyrethrum in all forms can rise well above any prewar figure.

Paris green, the well-known potato-bug killer and one-time wallpaper pigment, has had a renascence. Mosquito control in swamp lands and quick action against the cotton boll weevil have created a strong demand in many countries. A fivefold increase in exports during 1942–43 leads to the belief that paris green will rank as an important item for export. Various Latin American countries—Brazil, Cuba, and Venezuela in particular—have shown an interest in this product. Egypt and India, via lend-lease, figure prominently in the current picture.

The export outlook for seed disinfectants can be gaged at a glance from the 1942–43 figures, which reveal that 1943 exports, valued at $185,000, practically doubled those of the preceding year. These specialties, composed essentially of organic mercury and copper compounds, are vital in safeguarding seed for sound germination. The market for seed disinfectants has been limited to relatively few countries, Canada being the prime outlet. A much wider use doubtless will follow as agriculturists learn of the wastefulness connected with planting untreated seed. The export outlook for seed disinfectants consequently appears promising for postwar years.

Petroleum-oil sprays, which are usually made of refined mineral oil, have met favor in all parts of the world. The citrus industry depends upon them for control of certain serious pests. The export value of these sprays advanced continuously from 1938 on (except for the interruption in 1941), to a figure of $131,000 in 1943. The distribution among countries, although irregular, has centered around Palestine, Union of South Africa, New Zealand and Australia, and Egypt which was the principal buyer in 1940–41.

Rotenone root, powder, and extract are derived from the plants, derris and cube, grown outside the United States but processed in this country. Rotenone is one of the insecticides in greatest demand, since it is both potent to insects and harmless to man. Seldom has a new insecticide found such quick acceptance, having risen from an almost unknown item in 1930 to a heavy-tonnage necessity only a few years later. Credit for the recognition of its usefulness and for its commercial introduction belong to the United States Department of Agriculture. Heavy demand and limited supply have created a tight situation. The maximum United States export figure of record—$91,000 in 1942—represents a considerable under-evaluation of market potentials when projected into the future after the supply has become easy. Based upon limited export records, the United Kingdom and Canada appear as the chief outlets, but other countries—European as well as Latin American—are listed as recipients. Under favorable conditions, world consumption could be double within 10 years after the war, and the United States which pioneered the product, should attain more than a doubling of export trade.

Chloropicrin, following its employment in World War I as a war gas, was developed as a commercial fumigant. This material, actually a liquid, is used on an increasing scale for grain and soil fumigation. Improved equipment has been developed for dosing it into the soil and this may stimulate a broader demand—above the $24,000 export figure of 1942.

The category "tobacco extract" refers to extract other than for flavoring tobacco, but not to the usual nicotine sulfate. Most of the exports in 1942 ($65,000) apparently consisted of nicotine alkaloid (judging from the unit value). Exports of "nicotine alkaloid" will henceforth be recorded under that designation by virtue of a new classification established January 1, 1945. Nicotine alkaloid of high strength (99 percent) has become a fairly common article of commerce in recent years. It appears that the use of the alkaloid for strictly insecticide purposes may lead to a larger business than existed in prewar years. Economy in shipping costs may influence some buyers in favor of the alkaloid, as against the sulfate with only 40 percent of nicotine.

In addition to the afore-mentioned items, a group identified in export statistics only as "other" accounts for a very large percentage of agricultural insecticides. These include a variety of individual products and special formulations, of which the following are examples: Animal dips, rotenone-containing and nicotine-containing specialties, copper arsenate, sodium arsenite, and weed killers. All of these products serve important purposes. Animal dips, for example, by controlling insects and disease, directly improve the quality of meat, wool, hides, and leather. The consistent advance in exports of this category, with values rising from $858,000 in 1937 to $1,388,000 in 1941, foretells a further annual growth that may provide a $2,000,000 market in the early postwar period.

Export statistics of household insecticides and disinfectants are not broken down by products or types. The first group (insecticides) includes all manner of preparations for the control of ants, flies, mosquitoes, moths, and roaches, as well as rat killers. Export trade in these commodities increased satisfactorily through 1939, after which the inroads of war cut deeply until 1943 when it practically regained its prewar position. Exports of the disinfectant group reached a maximum ($416,000) in 1943. The strength displayed by both groups during the war conditions emphasizes the possibilities to be realized in a peacetime economy. Household and industrial sanitation, once regarded as more or less of a luxury in some areas, is now taking its place among the necessities of life. New products will constantly create fresh consumer interest, and export trade is expected to expand greatly. One recent accomplishment of the industry may be cited to show the possibilities—a new kind of disinfectant that kills germs and cleanses at the same time, without the accompaniment of chemical odor (quaternary ammonium compounds).

Arsenic a Basic Material

Although not classified with insecticides in the schedule of exports, arsenic

merits consideration in this article, inasmuch as it is the basic material for the manufacture of all arsenicals and is used directly in preparing animal dips and poison baits. Wherever produced, arsenic represents a byproduct in the smelting of gold, copper, and other ores. Sweden is the world's leading producer. The United States, second in output, requires imports to fulfill requirements, which include domestic consumption and exports. During 1937–39, according to reports of producers, exports averaged a little more than 5,000,000 pounds. An official export classification was not established until 1943, in which year nearly 4,000,000 pounds valued at $172,000 were shipped. The United Kingdom has been the main recipient of our exports, but Canada, the Union of South Africa, Argentina, and Uruguay also have figured prominently. Some arsenic exported from the United States goes for the manufacture of glass, but probably only a small percentage. The export position of the United States in the postwar period cannot be clearly determined at this time, but some optimism is warranted for holding the bulk of the trade built up in this commodity. Sweden, however, with an enormous reserve, estimated at 1,000,000,000 pounds of low-cost material, is a strong competitive factor.

TABLE 3.—*United States Exports of Insecticides, by Geographic Area, 1937 and 1941*

Area	1937		1941	
	Value (in $1,000)	Percent of total	Value (in $1,000)	Percent of total
Europe	620	14	216	3
North America:				
Northern	490	11	985	12
Southern and West Indies	1,511	34	3,093	39
South America	702	16	2,075	26
Asia	662	15	478	6
Oceania	192	4	311	4
Africa	259	6	818	10
World total	4,436	100	7,976	100

Markets for U. S. Products

Under security regulations in effect at the time of writing this article, the disposition of United States exports by country of destination for any year after 1941 is limited to the Western Hemisphere (Latin America and Canada). In 1941, southern North America, including the West Indies, was the chief area outlet for insecticides, receiving somewhat more than one-third of the total value (table 3). This area also occupied first place in 1937, with about the same percentage of the total. Europe and Asia underwent a decline in 1941 as compared with 1937, for reasons connected with the war, whereas South America and Africa advanced. Exports to each of the latter areas about tripled in dollar value, rising substantially in relative importance. Northern North America remained at about the same percentage level, although the value of goods doubled. Oceania accounted for an appreciable increase in value, without any relative change in standing.

Market in American Republics

The 20 other American republics constitute a consuming group of major importance. During the war years, necessity has compelled a closer tie-up in commercial relations between the United States and Latin America, and it is one of the objectives of this article to present information that will assist in sustaining this higher level of trade.

During the period 1937–40, the 20 republics imported insecticides averaging more than $4,000,000 annually, of which 56 percent originated in the United States (table 4). In 1941, the increase

TABLE 4.—*Imports of Insecticides Into the American Republics 1937–40 Average and 1941*

[Values in thousands of dollars]

Country	1937–40 average			1941		
	From all countries	From United States	Percent from United States	From all countries	From United States	Percent from United States
Argentina	624	126	20	881	330	37
Bolivia	26	7	27	21	13	62
Brazil	726	131	18	1,134	785	69
Chile	43	26	60	28	21	75
Colombia	438	260	59	598	454	76
Costa Rica	74	74	100	425	425	100
Cuba	169	157	93	200	199	99
Dominican Republic	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
Ecuador	15	10	67	20	17	85
Guatemala	415	253	61	929	928	100
Haiti	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
Honduras	440	396	90	694	693	100
Mexico	312	251	80	399	377	94
Nicaragua	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
Panama	[1] 24	[1] 18	75	n. a.	n. a.	n. a.
Paraguay	18	2	11	n. a.	n. a.	n. a.
Peru	275	231	84	404	384	95
Salvador	9	9	100	10	10	100
Uruguay	90	13	14	25	22	88
Venezuela	428	254	59	424	313	74
Total	[2] 4,195	[2] 2,352	56	[2] 6,456	[2] 5,235	81

n. a. Not available.
[1] 1939 only; data lacking for other years.
[2] Includes United States exports where import data are lacking.

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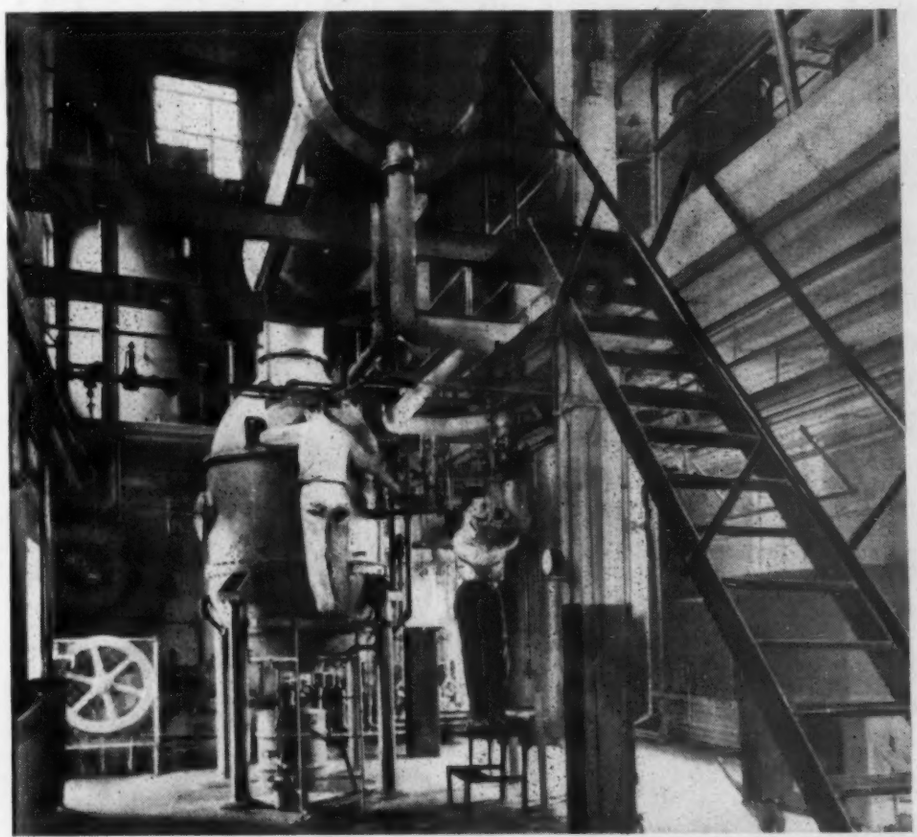


Courtesy McLaughlin Gormley, King Co., Minneapolis.

Part of the equipment used by a U. S. firm of manufacturing chemists and importers in the manufacture of concentrated pyrethrum extract.

Courtesy Turkish Government

Smelting installation at Erganimaden copper mine, Turkey.

Turkey: Economic Trends in the Year of War's Crisis

{Sharp Difficulties and Problems Were Encountered, But the Country Manifested Its Essential Strength}

Digested From a Report Prepared by EDWARD B. LAWSON, *U. S. Commercial Attaché, Ankara*

THE YEAR 1944 was one of increasing economic difficulty for Turkey. Already operating under wartime handicaps, the country's foreign trade suffered further serious dislocation as a result of the break in diplomatic and commercial relations in August with Germany—Turkey's principal market and leading source of imports. Suspension of the United Nations preclusive buying program was also an adverse factor, although this loss was partly offset by increased purchases of other Turkish products. As in 1943, inflationary tendencies were still strong; however, official measures to control price advances appear to have become somewhat more effective. Crop yields were generally good, but the problem of finding outlets in substitution for the German market, for many of Turkey's surplus products, presented a major problem. Industrial and mining activity continued at a high level. Land transport facilities were overburdened in consequence of the curtailment of coastwise shipping. Budget estimates remained close to record levels. A sharp expansion in note circulation was accompanied by an increase in metal cover. German banking institutions in Turkey were liquidated without any perceptible effect on the country's financial structure. Control over foreign exchange continued to be strictly enforced.

Foreign Trade Declines

Turkey's foreign trade during 1944 was indeed hard hit by the severance of commercial relations with Germany. The suspension of trade with the Reich occurred in August, but this climaxed a steady decline which began in June. Although official statistics remain unavailable, it is estimated that the total turnover for the year fell below the 1943 level as a result of this action.

Germany and the states under its control had provided a substantial market for such leading Turkish products as tobacco, ores, fruits, fish, hazelnuts, cotton, oilseeds, oil cake, and valonia, and supplied in return a variety of essential products, including iron and steel, cement, machinery and machine tools, hardware, electrical goods, railway supplies, motor vehicles, pharmaceuticals, sheet glass, paper and newsprint, besides offering transit facilities for trade with Sweden and Finland.

Trade between Turkey and the United Nations in 1944 is believed to have compared favorably with that during the previous year. Although data are not available to show the turn-over during either period, reports from Iskenderun and Mersin—principal channels for this trade—indicate increased commercial activity at those ports during 1944. The preclusive buying program of the United Kingdom and the United States was, of course, an important factor in aiding a number of Turkish export products as

well as supporting them at a high price level. With the suspension of such purchases after the break with Germany, the outlook for many of these surplus products became uncertain and their prices faced sharp revision.

Recognizing the implications of this development and the urgent need for expanding existing markets, the Turkish Government in November 1944 granted importers in the United States of Turkish products the special rate of 1.82 Turkish pounds to the dollar in comparison with the official rate of 1.31 Turkish pounds, thus placing them on a par with British purchasers. To finance this operation, the levy on imports from the United States was raised from 25 to 48 percent, making the rate 1.93 Turkish pounds to the dollar.

Crops Favorable

The yields of most crops were generally good in 1944, but the finding of new markets for a large proportion of the surplus products formerly sold to Germany constituted the country's major problem at the close of the year. Not only was Germany the principal outlet for Turkey's agricultural products, but it was largely responsible for the high price level, which resulted from the clearing and barter agreements under which trade between the two countries was conducted. The loss of this leading market was only partly eased by Allied purchases, but these were negotiated at prices considerably below the high level prevailing in 1943 and the greater part of 1944. A further improvement in such purchases by the Allies, however, was noted in the early part of 1945.

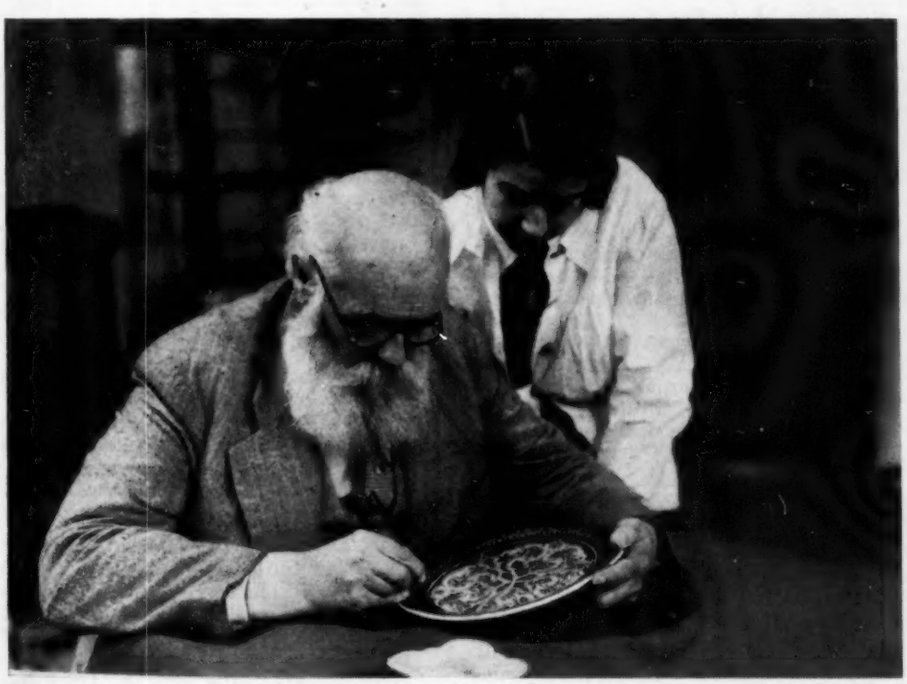
Estimates of the cereal harvest showed the following results for 1944, with 1943 in parentheses, in metric tons: Wheat, 4,000,000 (4,000,000); barley, 1,700,000 (1,600,000); corn, 750,000 (800,000); rye 300,000 (400,000); oats, 400,000 (300,000). With a substantial carry-over from the preceding year, the supply situation improved, and the daily bread rations were increased on October 1, 1944. The ban on exports of cereals, however, was retained, and the Government continued to add to its reserves, making purchases at fixed prices, which were slightly above 1943 bids.

Courtesy Turkish Government

Izmir: Sorting figs for shipment in Turkey's international trade.

Returns for other crops varied: a good cotton yield, estimated at 50,000 metric tons, was indicated, whereas the sugar crop was slightly smaller than the 1943 figure of 96,000 metric tons. Average yields were reported for dried figs (30,000–35,000 metric tons) and raisins (45,000). The rice crop was normal, totaling approximately 57,000 metric tons as compared with 35,000 in 1943. Little change was noted in the tobacco yield, which amounted to 55,000 metric tons in 1943, and an estimate of 53,000 tons was anticipated for hazelnuts as contrasted with 73,000 in the preceding year. For 1943–44 the olive-oil yield was approximately 35,000 tons against 32,000 in 1943, but the quality was somewhat inferior. Olive oil remained on the export prohibition list, as substantial quantities were purchased for the military forces. Only slight variations were reported for the oilseed crops.

The wool and mohair clips were normal, the former estimated at 30,000 metric tons and the latter at 6,000 tons. The ban on exports of wool continued in effect, as local industry absorbed the entire output. The mohair situation was less favorable, as substantial quantities of the preceding year's clip of 5,000 tons were still on hand. The valonia crop was estimated at between 25,000 and 30,000 metric tons as compared with 55,000 in 1943. Collections of licorice root were believed to have expanded considerably over 1943 in anticipation of a strong export demand. The gum-tragacanth crop was estimated at 300 tons, with the carry-over approximating 250 tons.



Courtesy Turkish Government

Learning handicrafts at Turkey's Fine Arts Academy, Istanbul.

Prices at High Level

Prices in Turkey generally remained at a high level in 1944, the only important declines occurring in cereals, vegetables, and certain animal products. The drop in the latter group was largely responsible for the fall in the wholesale price index, which stood at 451.2 (1938=100) in September 1944 (latest available) as compared with a high of 483.1 in January and an average of 590.1 for 1943. The index for industrial raw materials and semimanufactures remained above the 1943 average. In the closing months of 1944 further weakness developed in the prices of a number of export commodities, notably figs, raisins, and nuts, as a result of the suspension of shipments to Germany, but this is not reflected in

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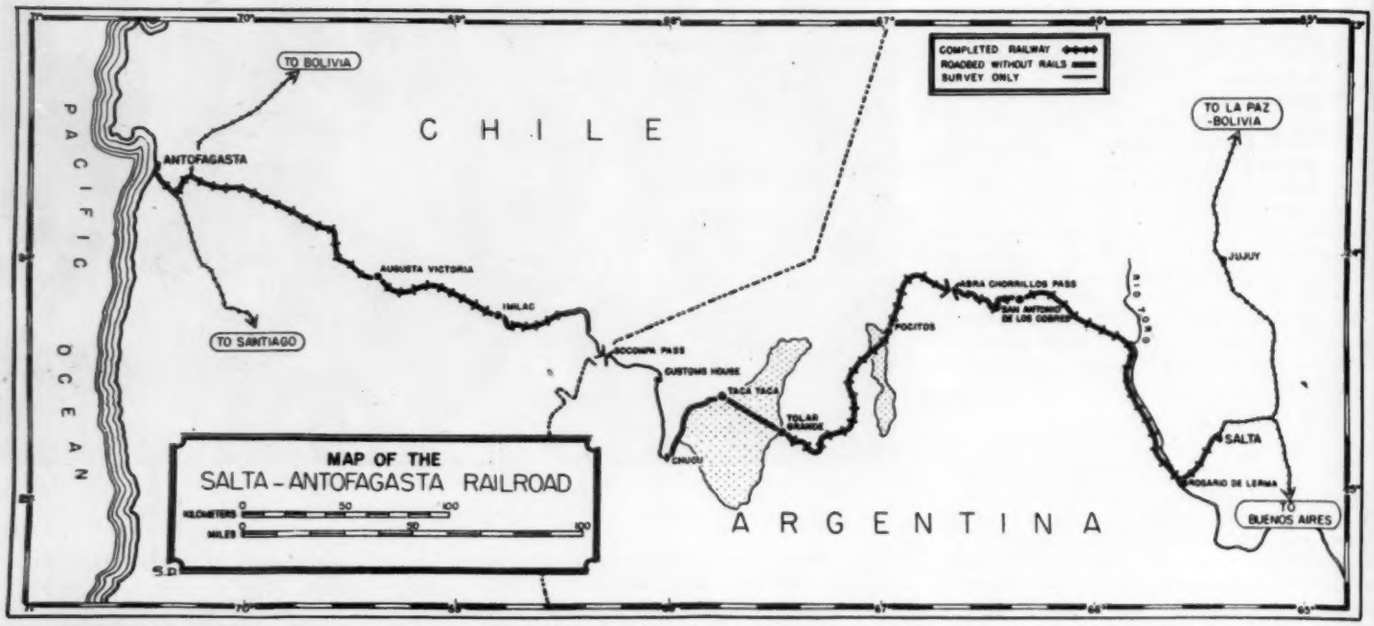

TRANSPORTATION DEPARTMENT — OFFICE OF INTER-AMERICAN AFFAIRS - FEB. 1-45 GRAPHIC REPORTS SECTION

New Transandean Railway To Link Chile-Argentina

Promises To Open New Fields for Postwar Trade

By Robert J. De Camp, *Chief of Railroad Division, Department of Transportation, Office of Inter-American Affairs*

FORECASTS of the early completion of the Salta - Antofagasta Transandean Railway have stirred renewed interest in commercial circles because of the potential markets which the region tapped by the new line will offer to United States traders.

The steamer distance between New York and Buenos Aires is 5,861 miles—from European ports to Buenos Aires it is greater—to which must be added an additional rail haul of more than 1,000 miles from Buenos Aires to reach Salta. The steamer distance between New Orleans and Antofagasta via the Panama Canal is only 3,574 nautical miles with a rail haul of 559 miles over this new railway from Antofagasta to Salta. The saving, as between these two routes, is 2,287 nautical miles or the equivalent of at least 6 days' sailing for a freight steamer.

Salta Will Benefit

When the railroad is completed, Salta, a city of 43,000, should become the logical distribution center for Argentina's northern Provinces—Jujuy, Salta, Tucuman, Santiago del Estero, Catamarca, and El Chaco Territory—covering 224,000 square miles with a combined population of 1,425,000. This region produces minerals, hides, cattle, tropical fruits, sugar (Salta Province has 70 sugar mills), peanuts, timber, cereals, petroleum, wine, corn, cotton, tobacco, and rice—in other words, resources ample to supply a two-way trade with Chile and other west-coast republics, or possibly even with the United States.

The region between Salta and the border of Chile is a high, semiarid plateau, rich in silver, copper, gold, lead, bituminous schist, sulfur, and other minerals, which have not been exploited in the past because of a lack of transportation.

A sulfur deposit said to be one of the world's largest is located in this region at an elevation of more than 16,000 feet above sea level. The sulfur at this point is reported to cover the face of a mountain to a depth of 7 feet, in an area 12 miles in length. It is collected with steam shovels and is transported by truck to a point on the railway some 50 miles away.

Advantages for Antofagasta

Businessmen of Antofagasta, Chile, would also like to see the line completed in order that their city may profit, as an entrepôt, by the large volume of trade they foresee flowing over the new route—also from industries which they hope will spring up in Antofagasta, and from the fact that Antofagasta, a city of 50,000, and the adjoining desert regions of northern Chile, which produce only copper and nitrate, will then be able to draw on the rich agricultural resources of northern Argentina for their food supplies.

When completed, the railway will be about 559 miles long (900 kilometers) with 205.6 miles (331 kilometers) in Chile and 353.5 miles (569 kilometers) in Argentina.

Progress Thus Far

On the Chilean side the railway is now completed and in operation to within 35 miles (56 kilometers) of the Socompa Pass, and the roadbed is finished without rails to within 14 miles (22 kilometers) of the border.

On the Argentine side the track has been laid and trains are now operating for 250 miles (403 kilometers), or from

Salta to Tolar Grande, and the roadbed has been completed to 73 miles (117 kilometers) beyond Tolar Grande, leaving 30 miles (49 kilometers) of roadbed to be completed to reach the border. The distance betwen railheads on either side is at present 138 miles (222 kilometers). Busses and trucks now carry passengers, cattle, and merchandise between the two railheads over the mountain highway.

The railway, which is of 1-meter gage, presents no unusual engineering features on the Chilean side where the rise is gradual from sea level to the pass at 12,821 feet, but on the Argentine side of the range there are some interesting engineering problems to be solved.

The first survey for the railway was made in 1898. In order to climb to the "puna," or high tableland, the original plans called for heavy grades, numerous stretches of track with grades up to 7½ percent, and many tunnels. Construction work was begun in October 1911 but was discontinued after only a small amount of roadbed had been built.

In 1920 the Argentine Government took over all rights to the concession, and new surveys were made with modifications to eliminate the steeper grades. The maximum gradient was fixed at 25 per 1,000, and a minimum curve radius of 150 meters was adopted.

Engineering Difficulties

Starting at Salta at kilometer 0, the road enters the valley of the River Toro at kilometer 40, at the town of Rosario de Lerma, and follows the valley for approximately 105 kilometers with two switch-backs and two tunnels.

The most difficult engineering work is met with as the line turns westward to climb out of the Toro River Valley to reach the high, Alpine-desert plateau across which most of it runs. At two points the line describes complete circles on itself in ascending; at another point five tiers of track are used to ascend the side of the valley, it being necessary to travel 8 miles to progress 1 mile. At San Antonio de los Cobres—kilometer 197—the elevation is 11,073 feet. Some 20 kilometers beyond San Antonio the line crosses the 800-foot Polvorilla Viaduct, which is 230 feet high.

At kilometer 234 the line crosses the Abra de Chorrillos Pass at 14,680 feet, the highest point on the route. The end of the rails is at present 404 kilometers from Salta at Tolar Grande, and at 11,722 feet. The roadbed has been carried forward as far as kilometer 520 at the Abra Chucu at 14,173 feet. The border at the Socompa Pass will be reached at kilometer 569 at 12,821 feet above sea level.

Between the main ranges of the Andes in Argentina, the railway traverses comparatively level tableland in which are found the dried-out beds of prehistoric salt lakes. At one point, more than 11,000 feet above sea level, the line crosses one of these salt plains, called "salares," in a perfectly straight line for 40 kilometers.

Tunnels and Bridges

The Argentine section of the line, when finished, will have 21 tunnels totaling 10,600 feet, 13 steel viaducts totaling 4,120 feet, and 50 steel bridges totaling 2,641 feet.

The crossties are of quebracho wood; the rails in Argentina weigh 75 pounds and those in Chile 65 pounds. The maximum grade in Argentina is 2½ percent and in Chile 3 percent.

The city of Salta is 1,009 miles (1,624 kilometers) from Buenos Aires, 246 miles (396 kilometers) from the border of Bolivia on the line leading to La Paz, and 532 miles (856 kilometers) from the Argentine port of Barranqueras, on the Parana River.

The length of the Salta-Antofagasta International Highway, which more or less parallels the railway, is 510 miles (820 kilometers), of which 202 miles (325 kilometers) are in Chile and 308 miles (495 kilometers) in Argentina. The airline distance between the two cities is 330 miles (532 kilometers), and service is supplied by the Pan American-Grace (PANAGRA) Airways, Inc.

War-Torn Low Countries' Bulb Industry and Trade

(Continued from p. 6)

doubled. The United Kingdom market disappeared, while exports to the Netherlands and France were almost nil.

The loss to Belgium of the German export market has been a serious blow. The outlook for sizable postwar exports of horticultural products to continental Europe is gloomy. The hope of the nurserymen is placed in the British Isles, Switzerland, Sweden, Canada, and the United States.

Conditions in Holland

Bulbs imported into the Netherlands were few. They consisted principally of dahlias, begonias, gloxinias, Japanese lilies, and narcissus. Special flowers were received from southern France.

In the 3 years 1937 through 1939, Netherlands acreages were planted to bulbs as follows:

[In hectares; 1 hectare=2.47 acres]

Kind	1937	1938	1939
Hyacinth	519	512	508
Early tulip	1,522	1,383	1,329
Late tulip	1,889	2,083	2,181
Narcissus	874	893	938
Gladiolus	2,066	1,279	1,117
Crocus		318	347
Iris		372	363
Others		430	456

Large numbers of tulips and other flowers were ordinarily sold on the streets of the cities in the Netherlands, and these were purchased by rich and poor alike. They were sold from kiosks on the street corners, from basketmen along the most densely trafficked sidewalks, and from flower boys and girls having their stands before the hospitals—at prices which were in line with the most modest incomes.

This trade did not affect the regular florist business. In fact, it stimulated trade. There were probably no finer nor more prosperous florist shops in all the world than in Amsterdam, Rotterdam, The Hague, and other cities in the Netherlands before the outbreak of hostilities.

Before the war the Dutch bulb industry centered in the district between Haarlem and Leiden. Tulips, narcissuses, and hyacinths were the principal bulbs grown. The bulk of the production was exported. Some of the bulbs were grown for cut flowers, and in the year 1935 approximately 72,500,000 tulips were forced by bulb growers in that country for that purpose.

In other regions large areas were covered with hothouses where flowers, vegetables, and early fruits were grown for shipment to the European markets. It was estimated that approximately 23,000 persons derived their living from the production and distribution of flowers.

The distribution of areas in 1936 devoted to flower culture in the Netherlands was:

Provinces:	*Area in hectares*
North Holland	571
South Holland	337
Gelderland	133
Limburg	74
North Brabant	73
Overijssel	78
Utrecht	57
Groningen	34
Friesland	28
Drenthe	19
Zeeland	7

Gains Had Been Great

Flower culture in the Netherlands from 1912 until the beginning of the now-ended war increased approximately 133 percent. For certain specified branches of horticulture, the increase in production amounted to: vegetables, 41 percent; fruit, 44 percent; bulbs, 91 percent; trees, 6 percent; and seeds, 233 percent.

As long ago as 1931 air lines offered frequent and fast service from the Netherlands to all European capitals, in addition to the railroad and steamship service. Exports by air of flowers in 1931 amounted to 12 percent of the total value of cut flowers, and in 1936 the air lines carried approximately 20 percent of the total value, or 199,421 kilograms gross weight. (1 kilogram=2.2046 pounds.)

Both the Netherlands and Belgium are expected to look to the United States for new markets to help compensate for those lost, and for receptive interest in the new bulbs which the Low Countries have been able to develop under the exceedingly trying circumstances of wartime.

The Government of Bengal, India, has given publicity recently to a construction program, now under way, designed to supply some 10,000 boats for civil use on the inland waterways. These will range in carrying capacity from 100 maunds up to 2,000 maunds (one maund equals 82⅔ pounds).

News by COUNTRIES

Argentina

TRANSPORT AND COMMUNICATION

Cargo and Passengers Transported by Railroads.—Cargo transportation over Argentine railroads during the first quarter of their fiscal year 1944–45 totaled 14,566,000 tons, an increase of 9.3 percent over the 13,324,000 tons transported in the corresponding period of the preceding year. A comparison of the two periods also indicates that ton kilometers increased from 4,361,000,000 to 4,555,000,000, or 4.4 percent.

The total number of passengers transported in the first quarter of the 1944–45 fiscal year was 58,752,000, an increase of more than 8,600,000, or 17.2 percent, compared with those transported in the corresponding period of the preceding year. Passenger kilometers increased from 1,281,000,000 to 1,539,000,000, or by 20.1 percent between the earlier and later periods.

Total income for the first quarter of 1944–45 amounted to 138,170,028 Argentine pesos, compared with 103,478,861 in the corresponding quarter of the preceding year.

Bermuda

Tariffs and Trade Controls

Agricultural Machinery: Import Control on Certain Items Modified.—A number of items have been deleted from the category of agricultural machinery, which is subject to Combined Planning, and their importation in reasonable quantities is now permitted under license through normal commercial channels, effective April 17, 1945, according to an announcement by the Wartime Supplies Commission in the Bermuda Official Gazette of April 23, 1945. The canceled items include spare parts for crawler tractors, tie-out chains and halter chains, poultry fountains, egg scales, and horse clippers.

Bolivia

Exchange and Finance

Exchange Control System.—Bolivia initiated control of exchange under a law of May 19, 1932, and still exercises such control. The Central Bank had previously suspended the redemption of its notes in gold or foreign exchange and commenced the allocation of available exchange for articles of prime necessity.

The law restricted exchange operations to the Central Bank. Exporters were required to deliver to the Central Bank a minimum of 65 percent of the value of exports, for which exchange they received bolivianos at a rate of exchange fixed by the bank. Holders of bills other than exporters were required under the law to deliver the entire amount to the bank.

The sale of exchange was effected by a system of allocation among applicants according to the availability of exchange and the essentiality of the use to which it was to be put. Allocation was made by boards of control located in the capitals of the Departments of Bolivia. Decisions of departmental boards were subject to review by the board at La Paz.

Since its inception in 1932, the system of control has been changed several times, the present procedure deriving chiefly from various decrees issued since June 1939. The Ministry of Finance is the administrative agency, but certain powers have been delegated to the Central Bank and to the commercial banks. Only the Central Bank and the commercial banks may legally buy or sell exchange. The Central Bank fixes the rates, subject to modification by the Minister of Finance.

Under the regulations now in force, exporters, with a few exceptions, are required to turn over varying percentages of the proceeds of their bills. Supreme decree of April 3, 1945, provided for a readjustment of the percentage of exchange which must be delivered by tin exporters. The percentage varies with the grade of ores shipped and with certain other factors, exporters of highest-grade ore being required to deliver 60 percent to the Central Bank instead of 42 percent as before.

The percentage of export values to be delivered by exporters of minerals other than tin varies with the production, market quotation on the New York Metals Exchange, and percentage of fineness of the particular mineral. All gold mined in Bolivia must be sold to the Central Bank or to the Mining Bank.

A supreme decree signed January 25, 1945, altered upward the percentages of exchange which must be delivered by exporters of agricultural products, nonmineral raw materials, and manufactured products. These percentages vary with the particular product involved, ranging from 30 percent for exporters of shelled Brazil nuts and 50 percent for exporters of all types of crude rubber, to 100 percent for exporters of such items as llama and alpaca wool, cinchona, manufactured rubber articles, and sulfate of quinine.

Exporters are permitted to provisionally retain exchange in excess of delivery requirements to cover freight, storage, selling, and other expenses abroad, and to cover imports. According to the law, use of exchange for such purposes must be documented and amounts in excess of needs must be sold to the Central Bank at the official rate. A similar proviso was contained in the supreme decree of July 17, 1939, which was superseded by the decree of January 25, 1945, but in practice it was not enforced. If exporters require more exchange than the amount they are permitted to retain, they must present their case to the Central Bank, which will transmit the petition to the Minister of Finance.

As indicated above, sales of exchange may be legally effected only by the Central Bank and the commercial banks. Purposes for which exchange may be sold are determined by the Ministry of Finance and at present include only the payment of imports and expenses incident thereto, travel, maintenance of students abroad, and a few other private purposes. Sales of exchange for such purposes as interest and dividend payments, payment of old debts, and transfer of capital funds are not permitted except upon special authorization by the Ministry of Finance. The sale of exchange for the few private purposes recognized by law, except the maintenance of students abroad and the treatment of illness requiring radium, was made subject to a 20 percent tax under a supreme decree of September 7, 1944.

Exchange to be used in payment of imports is sold under a quota system instituted on October 15, 1943, when the Minister of Finance notified all Bolivian

The Cover Picture

Fine Buildings in Ankara

Probably a good many Americans do not fully realize the extent to which, in recent decades, splendid modern structures have been erected in the capital of modern Turkey—Ankara, deep in the interior of Asia Minor. As a matter of fact, functional and modernistic architecture is very much in evidence in that progressive city.

In the view of Ankara's National Square which forms our cover picture this week, one sees Turkey's largest private bank, the Is Bank, and also the Sümer Bank which controls more than 50 State-owned factories located in all parts of the Republic.

We are enabled to print this picture through the courtesy of the Turkish Government.

banks that thereafter monthly quotas for the sale of exchange would be fixed by the Ministry and that no bank would be allowed to sell in excess of its quota without specific authorization. These quotas have fluctuated around $1,915,000 and £45,000 per month.

Designed primarily to permit the most efficient and economically beneficial use of available exchange and to encourage the growth of an exchange fund of dollars for postwar development, these monthly quota directives are being used by the Government to an increasing extent as a general means of controlling business. Importers who wish to purchase exchange are required to present evidence that they are current in payment of all taxes and proof that previous purchases of exchange have been expended for authorized purposes. Presentation of end-of-the-year statements for 1944 was required from exporters by March 1, 1945.

In addition to these requirements, various restrictions have been imposed on banks as to who may purchase exchange and the purposes for which it may be used. A Ministry of Finance circular of December 6, 1943, prohibited the sale of exchange for the importation of numerous items not considered of prime essentiality to the country. Subsequent directives established quotas for the importation of agricultural machinery and high-grade livestock. The December 1944 directive specified the distribution of quotas among certain enumerated articles, and required specific authorization of the Ministry of Finance for each sale within these quotas. This distribution of quotas was discontinued in March 1945, except that the monthly allocation of $34,100 established in December 1944 for goods on the restricted list (established by the circular of December 6, 1943) remains effective.

The January 1945 directive reduced the total quota of the commercial banks by $150,000 and transferred that amount to the Central Bank. At the same time the Central Bank was given the exclusive privilege of selling exchange to the major firms in the textile, milling, edible-oils, and vehicle-importing industries. This monopoly of exchange sale was extended in subsequent directives to include virtually all the important firms in the country. According to the Central Bank, the purpose of this is to give the Government greater control over industrial firms, so as to gradually restrict their importations of raw materials and thus to encourage domestic production of such materials.

Importers who have been denied the right to participate in exchange quotas either because the commodity is on the restricted list (for which the monthly allocation is only $34,100) or because the quotas of the banks have been exhausted, or for any other reason, may purchase exchange at the curb rate, which is currently about 43 percent above the rate for quota exchange. This differential indicates a substantial shortage of foreign means of payment, but there is no evidence that there is any accumulation of unpaid drafts covering imports.

The quota system as it has operated in Bolivia since October 1943 has given rise to difficulties for Bolivian commercial banks as well as importers. Distribution of the quota among eligible importers has subjected banks to a considerable amount of criticism. This was alleviated to some extent by centralizing in the Central Bank the sale of exchange to certain importers, but the commercial banks have lost accounts to the Central Bank, since the large firms feel that they have a greater chance of obtaining exchange if their deposits are in the issuing bank. Another difficulty is that some importers have succeeded in obtaining letters from the Ministry of Finance requesting banks to give preference to specific importers and that such letters have been issued in excess of quotas set by the Ministry. Related to this problem is the fact that merchants in the interior, not having easy access to the Ministry, have found the possibility of obtaining their proportionate share of exchange is impaired. A committee for the control of exchange has been promised which would relieve the banks of their responsibility as to the distribution of exchange and would at the same time reconcile grants of exchange with the available quotas. In the meantime, the Ministry of Finance has taken a step in this direction by requiring the banks to obtain authorization from the Ministry prior to opening letters of credit. The Ministry has rejected a considerable percentage of requests for these letters, with the result that the banks have reduced commitments outstanding. Further, the Ministry has increased the cash deposit required for opening letters.

Although the establishment of letters of credit is a safeguard against the importer's inability to obtain exchange upon the arrival of goods in Bolivia, there is no control over the placing of orders abroad. Importers may order any goods they wish and apply for exchange to be used in payment therefor when the goods arrive. American exporters, therefore, should assure themselves that the necessary arrangements for obtaining exchange have been made.

Brazil

Tariffs and Trade Controls

Information Required on Import Licenses.—The Export-Import Department of the Bank of Brazil requires importers to supply the following information on applications for license under the new Brazilian import-control system: (1) Number, (2) valid date, (3) importer, (4) address, (5) consignee, (6) ultimate

Pertinent Comments on World Economy Today

[*Being one of a series of excerpts from books, pamphlets, and speeches*]

The Postwar Opportunities and Dangers of Our Expanded Merchant Fleet

When peace comes, we as a nation shall face new responsibilities and new opportunities. We know now that we cannot live to ourselves; that we are part of a community of nations that must find some way to live with each other and deal with each other on a basis of mutual advantage.

The issues that have arisen while we were creating a fleet of ocean carriers are too profound to be dealt with on any other than the highest plane of national policy. We have not taken too seriously in the past the problem of foreign trade. As a maritime nation, we have blown hot and blown cold.

Now we find ourselves with a byproduct of the war in the form of a great fleet of commercial ships—the most potent implement imaginable for foreign trade—in a world that will have to be remade, and in the remaking of which the wise use of our ships and the wise solution of our problems of foreign trade may determine whether we are building a lasting peace or sowing the seeds of renewed conflict.

It is worth while, therefore, to examine this problem of our Merchant Marine, not by way of patting ourselves on the back for a great exploit, but with the serious purpose of exploring its opportunities and its dangers in the light of what it means to the man on Main Street, the man on the farm, the man in the factory, and the man returning from the war; to the American of today, and to our sons and daughters to whom will fall the task of managing the affairs of our country for the next generation.

The fact is that our foreign trade, made up of what we import and what we export, has a very direct bearing on our everyday life, on our standard of living, on employment. Both our internal prosperity and our peace are intimately related to our trade relations with other countries. That trade, or the greater part of it, is carried over the seas in ships; in the ships of our own Merchant Marine and in the ships of other maritime nations. The status of our shipping, the use we make of it now that we have so great a fleet of merchant vessels, and how our war-built seagoing ships can serve to establish and promote peace and prosperity once our enemies are defeated, are questions that should be in the minds of all thoughtful Americans.

Today we see before us a new frontier; not the frontier of our pioneering ancestors, of the prairie schooner, the cowboy and the Indian scout, but a frontier of commerce and of merchant ships; a frontier of opportunity; a frontier that lies beyond the horizon; a *world* frontier.

(*From "The Merchant Marine and World Frontiers," by Robert Earle Anderson, Director of Finance of the United States Maritime Commission.*)

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user, (7) country of origin, (8) port of discharge (9) approximate value in cruzeiros, (10) material, (11) number on Export-Import Department's list (applicants have been instructed to leave this column blank because a detailed list of commodities under import control has not yet been approved), (12) net weight in kilograms, (13) approximate value in foreign currency, (14) previous consumption of the product, and (15) stock on date of application.

Eight copies of the application form are required. The last two copies constitute the application and the first six copies the import license to be completed by the Export-Import Department. The various copies of the license are distributed as follows: The original is to be presented to the customs authorities upon clearance of merchandise; the duplicate is to be presented to Brazilian consular officer when consular invoice is delivered for certification; the triplicate copy is to be presented to exchange control authorities when payment is made; the quadruplicate is to be retained by the importer; quintuplicate and sextuplicate are for the use of the Export-Import Department.

[For announcements of import license control system, see FOREIGN COMMERCE WEEKLY of February 10 and 24, 1945.]

Transport and Communication

Developments in Air-Line Services.—Approval was granted on February 22 for the formation and licensing of a new Brazilian air line, known as Arco Iris Viação Aérea S. A., capitalized at 3,000,000 cruzeiros. The company is to carry passengers, cargo, and mail between both domestic and foreign points.

The Brazilian air line, Linha Aérea Transcontinental Brasileira, has been authorized to carry Brazilian mail in its planes, according to the Brazilian press. Operation of the air line at present is on an unscheduled basis, but under Brazilian practice mail is carried by the first plane leaving for a given point.

British East Africa

Tariffs and Trade Controls

Basis of Valuation for Import Duties Altered.—A change in the definition of value, which forms the basis for the assessment of ad valorem duties in Kenya, was announced in the Customs Tariff (Amendment) Ordinance, 1945, published in the Kenya Official Gazette February 6 and operative since April 1, 1945. Similar ordinances have been enacted in Tanganyika and Uganda.

Current domestic value in the country of origin is no longer to be used. Instead "dutiable value shall be taken to be the price in which the goods would bring on a sale in the open market in the colony at the time of importation." This price is to include freight, insurance, and other expenses paid by the seller up to the point of landing, except any customs duties payable in the colony, and buying commission not exceeding 5 percent of the total value which is shown to the satisfaction of the Commissioner of Customs to have been paid to an agent. In the case of goods imported by air, the Commissioner of Customs will assume that freight charges paid by the seller are not less than one-fourth of the freight charge actually payable.

The ordinance further provides that in converting the selling price of any such goods from foreign currency to sterling, the rate of exchange is to be the selling rate for sight drafts at the principal port of the colony first quoted on or after the date of import.

Suppliers to East Africa are informed that this new procedure obviates the necessity of using the standard invoice Form A as recommended by the Imperial Conference of 1921, which shows current domestic value in the country of exportation, and substitutes an invoice in the abbreviated Form B, excluding, however, the certificate of origin relating to preferential duties. (These forms are shown respectively on pages 39 and 51 of Trade Promotion Series No. 154 (revised), 1939, "Preparing Shipments to British Countries—Except Canada.")

An official notice in the Kenya Gazette of March 27, on this "Revised Definition of Value of Goods Subject to Ad Valorem Duties" advises importers of this change in procedure and states that "during an interim period of 3 months from date invoices on Conference Form A will be acceptable provided full details of the cost of goods to the importer are shown." It further states that "the new procedure follows that which is successfully operated in the United Kingdom and certain of the colonial dependencies."

Reconstruction of Belgian Railways

All of the 358 railway bridges destroyed by the Germans in Belgium during their retreat have now been rebuilt, and locomotives and cars are already being repaired in the central workshops at Mechlin, which had been put completely out of service by Allied bombing, according to a statement by the Belgian Information Center.

Work has also been resumed in the railway repair shops at Salzinne, which were sabotaged by the Germans before the liberation, and the output there is the same as before the war.

During the winter, the Belgian workers repairing locomotives worked in the open air for 12 hours a day.

Before the war the Belgian railways possessed 3,500 locomotives. Of these only about 1,000 remained at the time of the liberation, and most of these were in bad condition. Today there are 1,500. The number of cars fell from 100,000 before the war to 55,000 at the time of the liberation.

British Honduras

Transport and Communication

Details on New Airfield at Belize.—The airfield which was opened at Belize, British Honduras, in January is located 8½ air miles west-northwest of the city and is connected with the city by an asphalt highway. The runway of the field is 6,000 feet long and 300 feet wide, and the landing strip is 5,000 feet long and 150 feet wide. The landing strip has a surface constructed of 6 inches consolidated thickness of graded-crushed rock penetrated and sealed with asphalt on a subgrade of 18 inches consolidated thickness of selected materials.

Shoulders 75 feet on each side of the landing strip and a runway 500 feet at each end are 18 inches consolidated thickness of selected materials. There is no field lighting and only emergency night-landing facilities. Whether-forecast facilities in Jamaica are used. At present fueling facilities consist of hand-operated pumps and drums of oil. Licenses are being issued to oil companies for the installation of bulk-storage equipment.

Many of the facilities of the airfield are not available at certain hours unless previously requested.

British West Indies

Economic Conditions

SITUATION IN BARBADOS

The sugar crop, mainstay of the economy of Barbados, British West Indies, is ready for harvesting in the first 3 months of the calendar year, and employment is consequently always on an improved scale in this period. During the first quarter of 1945, money was plentiful and retail business was very good, although circumscribed by shortages of most goods. There was no relaxation of import or exchange controls, and no change in the shipping situation.

The general cost of living rose 83 percent since September 1939, which is taken as 100. The index fell two points at the end of February 1945 and stood at 183 on April 1. Food items, however, rose only 62 percent, which indicates the government's success in keeping down these costs by means of subsidies, rationing, and price fixing.

At the end of March the Governor of Barbados announced that the United States Government would again recruit laborers for the United States, and that one shipload of 900 would probably be sent late in April, though the greater number would go in June. However, the Governor made the entire scheme conditional upon safeguarding the sugar industry and the production of sufficient food crops. In fact, he threatened to veto the whole plan unless the cane was cut and the yams and potatoes planted.

AGRICULTURE

The drought which prevailed since the beginning of the year showed no sign of slackening at the end of the quarter. The winter months are normally dry, with an average rainfall of something over 2 inches. This year, however, precipitation was under 2 inches in most districts, and during January and March was less than 1 inch. There were also high drying winds.

Despite the dry weather, the sugar crop planted last year retained its vigor because of the excellent rainfall during the last quarter of 1944. Although some fields in the coastal and sandy areas of the island dried out badly, planters in general reported satisfactory yields of 33 to 34 tons per acre, some areas accounting for as high as 40 tons per acre. A large acreage of cane was burnt, because of labor troubles, and harvesting commenced late in all districts. These factors will result in a lower output of sugar, and the quality of the juice obtained is generally believed to be inferior to that of last year. The present estimate of the 1945 sugar crop has accordingly been reduced to 130,000 tons. This compares favorably, however, with the 104,500 tons produced in 1944.

Labor unrest in Barbados affected the sugarcane cutters who were dissatisfied with the method and rate of their pay. The former flat rate was changed in 1939 to a sliding scale based on the weight of the canes cut. The workers wished to return to the old method of payment and demanded the rate of 1 cent per hole. Since the owners would not agree to this, cutters refused to work and there was large-scale burning of canefields. During February and March, 280 fires destroyed 2,500 acres of ripe canes, as well as many young canes and 166 acres of sour grass. The government appealed to the people to stop destroying their greatest source of wealth, and promised to remedy the pay method before the next crop. In the meantime six inspectors have been appointed to check the weighing of canes upon which the cutters' pay depends. The fires have not ceased, but harvest of the remaining crop is proceeding slowly.

The uncertain labor conditions also delayed allocation of the amounts of fancy molasses to be manufactured for export by the various plantations and factories of the island. The Fancy Molasses Control and Marketing Board at the end of March set the combined quota for 32 producers at 6,694,744 wine gallons, equivalent to 29,287 tons of sugar. This is about the same as the amount allocated in 1944.

Cotton picking continued during January and February, and fair yields were obtained. No pink bollworm was observed, but considerable damage had been done by the defoliator worm. There were good prospects for the second bearing which is picked in May and June.

The January yam harvest resulted in satisfactory yields in most districts. Sweet potatoes of good quality were readily obtainable. The autumn potato fields were affected by the dry weather, but supplies were expected to be equal to demand.

FINANCE

The Barbados budget bill for the year ending March 31, 1946, has become law. Revenue estimated at £1,007,000 and expenditures at £1,170,000 give a budget deficit of £163,000. To meet the deficit the government has already passed two bills to increase customs duties on tobacco and the excise tax on rum. A bill to raise the income tax is also in process of legislation. These measures combined are expected to provide £117,000 additional revenue, which still leaves an estimated deficit of £46,000.

TRANSPORTATION

The British Government has reiterated its position with regard to air transportation in the West Indies, maintaining its refusal to grant licenses to Barbados Caribbean Airways Ltd., a company projected for the purpose of operating an air service between Barbados and Trinidad. It is considered that air services in the Caribbean area are unlikely for some time to operate on an economic basis, and the government has decided to arrange to supply sufficient aircraft, equipment, and personnel to make possible a satisfactory service by the British West Indian Airways Ltd., the company already in the field, and not to permit competition with this line.

Nazi War Prisoners to Work in Belgian Coal Mines?

The Prime Minister of Belgium, Mr. Van Acker, made a statement to Parliament on the first results obtained by his Government and on his policy for prices and wages. He announced that wages will be stabilized at their present rate of 160 percent of prewar rates, says a statement by the Belgian Information Center. Speaking of the employment of Belgian manpower by the Allies, the Prime Minister said he was glad to have been able, up to now, to satisfy Anglo-American demands; but he added that a shortage of labor will be felt in Belgium before long, which will compel the Government regretfully to refuse any further requests which may be made.

Mr. Van Acker announced, on the other hand, that an agreement had been concluded with the Allies whereby 14,000 German prisoners of war could be employed voluntarily in Belgian mines, the coal output being now stabilized. He mentioned that unemployment had diminished by 45 percent in 2 months and that the chemical and metallurgical industries have resumed activities. Iron and steel production in February reached 18,500 tons, in March 22,300, and for April it was expected to reach 64,000 tons.

Tariffs and Trade Controls

Tobacco and Snuff: Rates of Import Duty Increased in Barbados.—The rates of import duty on manufactured and unmanufactured tobacco imported into Barbados have been increased, effective February 20, 1945, according to an announcement published in the Supplement to the Barbados Official Gazette of April 5, 1945.

The new general and preferential rates of import duty are as follows (former rates in parenthesis): Tobacco leaf, unstemmed, general, 9s. 5d. per pound (5s. 8d.), British preferential, 9s. 5d. (5s. 8d.); tobacco leaf, stemmed, general, 11s. 9d. per pound (7s. 2d.), British preferential, 11s. 9d. (7s. 2d.); tobacco, plug, stick, or twist, general, 5s. 6d. per pound (5s. 1d.), British preferential, 5s. (4s. 7d.); cigarettes, general, 16s. per pound (13s.), British preferential, 14s. (11s.); other kinds (except cigars and cheroots), general, 8s. 3d. per pound (7s. 8d.), British preferential, 7s. (6s. 5d.); cigars and cheroots, general, 16s. 6d. per pound (13s. 6d.), British preferential, 12s. 1d. (9s. 1d.); snuff, general, 2s. per pound (1s. 9d.), British preferential, 1s. 9d. (1s. 6d.).

Refined Essential Oils: Import Embargo Lifted in Trinidad.—Certain essential oils have been deleted from the list of goods (published in the Royal Gazette of December 2, 1943) for which import licenses would not be issued by the Trinidad Competent Authority, according to an announcement in the Trinidad Royal Gazette of February 8, 1945. The embargo list is amended by the deletion of item 514 "Oils—refined essential—'Other Sorts'—Geranium, Lavender, Jasmine."

[See FOREIGN COMMERCE WEEKLY of January 29, 1944, for announcement of the list published on December 2, 1943.]

Transport and Communication

Highways in Jamaica.—Jamaica, British West Indies, has 1 mile of cement-concrete road, 454 miles of macadam roads, 120 miles of asphalt streets in the cities of Kingston and St. Andrew, 4,002 miles of waterbound macadam, and 2,365 miles of improved earth, sand clay, and gravel roads. Aside from the urban streets, it is estimated that there are 2,500 miles of traffic highways used for the transport of commodities.

During the fiscal year ended March 31, 1945, £280,000 were budgeted for road maintenance. This amount does not include expenditures for new roads or improvements of existing ones.

Asphalt and cement must be imported.

Canada

Economic Conditions

CIVILIAN PER CAPITA FOOD CONSUMPTION

The Dominion Bureau of Statistics has recently released figures showing food consumption in Canada during 1944, which indicate that, despite the substantial contribution that Canada has been making to the food supplies of Britain and other United Nations, agricultural

India-Australia Trade: Closer Relations Envisaged

Members of the mission from India who have recently reached Australia to explore the possibilities of postwar trade between the two countries, have stated that India expects to buy from Australia wool of as great a value as that of all the goods which Australia sent to Japan before the war. They stated that, from their observations in Australia, there was every evidence that a large and valuable two-way trade would develop between Australia and India after the war, says a statement by the Australian News and Information Bureau.

Leader of the Indian delegation, Sir Datar Singh, expleained that the mission was not official but would report the result of its inquiries to Indian trade bodies which would later make recommendations to the Indian Government. Chief lines of inquiry which the mission was carrying out were to discover how far Australia could help India with capital and consumer goods, to discuss possibilities of an Australian-Indian trade pact and the establishment of direct shipping routes between India and Australia, to discover what market Australia offered for import of Indian textiles, and to consider exchange of technicians and students between the two countries to the advantage of both.

Commenting on the proposal for a direct shipping route, John Beasley, Vice President of the Australian Executive Council and former Minister for Shipping, said the idea was well worth considering. Manpower shortage and other factors had made it impossible for some Australian firms to accept orders from India. The Government's general policy, however, was (Mr. Beasley said) to do everything to foster a market in India for Australian manufactured goods.

production in the Dominion has been sufficient to meet these demands and at the same time provide additional supplies for its own civilian population.

Estimates of food supplies moving into civilian consumption in Canada in 1944 do not show any material changes from 1943, except in the case of fruits and vegetables, where better-than-average crops, together with larger imports, resulted in the substantial improvement in per capita supplies. The levels of consumption for most items were appreciably higher in 1944 than they were before the war, although there was some decline in the rationed commodities, particularly sugar and, to a lesser extent, butter.

Although the rationing of meat was lifted in Canada in March 1944 after having been in effect since May 1943, per capita meat consumption in the latter year was apparently slightly lower than in 1943. On a carcass basis the consumption of all meats totaled 149.1 pounds in 1944 compared with 155.5 pounds in 1943 and the prewar average of 118.4 pounds. The reduction from 1943 consumption occurred almost entirely in beef, which dropped from 69.3 pounds per capita to 61.7 pounds. Slight increases are recorded for other categories of meat, excepting the canned product, which dropped from 2.3 pounds to 2.1 pounds per capita.

The per capita consumption of other foods during 1944, with revised figures for previous years, are included in the following table:

Supplies of Food Moving Into Civilian Consumption, Canada, 1935–39 and 1942 to 1944[1]

	Average 1935–39	1942	1943	1944	1944 compared with prewar years
Milk and milk products, excluding butter—total milk solids	*Pounds* 58.5	*Pounds* 63.5	*Pounds* 67.6	*Pounds* 70.2	*Percentage* 120
Meats, including cured and canned (as carcass weight)	118.4	138.7	155.5	149.1	126
Poultry, game, and fish (edible weight)	26.0	26.9	31.4	29.0	112
Eggs (fresh equivalent)	30.7	32.1	35.3	36.4	119
Oils and fats (fat content)	41.4	47.3	43.3	41.0	99
Sugars and sirups (sugar content)	104.0	87.4	87.6	95.6	92
Potatoes	197.1	204.4	206.2	214.7	109
Pulses and nuts	12.7	13.6	11.5	12.8	101
Tomatoes and citrus fruit (fresh-fruit equivalent)	58.8	82.9	75.7	109.3	186
Other fruits (fresh-fruit equivalent)	80.2	70.0	63.6	90.8	113
Leafy, green, and yellow vegetables	44.2	61.9	40.3	47.0	106
Other vegetables	34.2	41.3	25.9	55.8	163
Grain products	208.2	195.4	224.5	198.5	95
Beverages (tea, coffee, cocoa)	10.9	10.5	9.0	10.9	100

Wartime Commodity Controls

Extensive Relaxations of Production Controls Announced.—Canada's Minister of Finance announced on May 14 the immediate revocation of 32 Wartime Prices and Trade Board orders which have restricted the manufacture of various household appliances and other consumer goods, including washing machines, vacuum cleaners, sewing machines, bicycles, commercial laundry and dry-cleaning equipment, and refrigeration and air-conditioning equipment. A number of orders affecting cartons and fancy wrapping have also been revoked. As a result, holiday packages may again be used for tobacco products and the standardization of beer bottles and cake cartons is ended. Restrictions on the use of elastic in clothing have also been removed, but civilian supplies still are under allocation.

Actual production of the foregoing commodities will depend upon the time required for obtaining necessary labor, manufacturing facilities, and raw materials. Present pricing regulations, based on 1941 ceilings, are being retained.

Canned-Meat Distribution Taken Over by Government.—On May 11, 1945, Canada froze all stocks of canned meat and announced that after that date no processor or wholesaler may sell or deliver canned meat, except by permit, to anyone other than to the Meat Board, Department of Munitions and Supply, Department of Transport, Canadian Red Cross for prisoner-of-war parcels, ships' stores, or persons in remote areas of Canada. In addition, the Government froze all canned meats held by retailers in warehouses separate from their stores as well as stocks exceeding 1,000 pounds stored in retail stores or in transit to such stores.

"Canned meat" under the order means any meat or meat product packed in sealed glass or metal containers, except poultry meat, soup, pork and beans, pureed infant foods, and imported beef concentrates or beef concentrates processed from imported beef extract. Meats subject to the control may not be packed in glass, and registered canners are forbidden to pack such meats in metal except for sale to the Government for export.

The Canadian Government announced that it will buy most of the "frozen" stocks and more than 90 percent of the future output of canned meat for the armed forces and the people of liberated Europe. Because of the disruption of transportation and lack of refrigeration facilities in Europe, the only feasible way of distributing meat in those areas is in canned form.

Exchange and Finance

Controls Relaxed for United States Travel Funds.—Restrictions in effect in Canada since July 1940 on the amount of United States funds which Canadians were allowed for pleasure trips to the United States were eased further by the Foreign Exchange Control Board of Canada on May 11, 1945. As a result, Canadians traveling across the border are now able to obtain on application to their banks "any reasonable amounts" of United States dollars for actual travel and expenses in connection with such trips.

Despite this relaxation, the acquisition and use of United States funds by Canadians continues under control inasmuch as a travel permit must still be obtained and surrendered to Canadian customs officials if a traveler is taking out of Canada a combined total of more than $50 in United States and Canadian funds. Furthermore the new $50 exemption does not authorize the export of United States funds which a traveler has obtained from his bank otherwise than for a particular trip. Funds which are not actually needed for the trip for which they are obtained must be resold immediately on

the traveler's return to Canada. They may not be retained for use on subsequent trips.

The exchange restrictions on travelers were imposed early in the war in order to conserve United States dollars for the purchase of essential war materials. They were subsequently relaxed in part effective May 18, 1944, when Canadians were permitted to obtain $150 in United States funds for one trip in a 12-month period or up to $75 for each of two trips. This change was reflected in 1944 in a 25 percent increase over 1943 in the value of Canadian tourist expenditures in the United States. The current easing of the controls undoubtedly presages a still further increase of Canadian tourist expenditures in this country if travel difficulties can be surmounted.

Tariffs and Trade Controls

Certain Wartime Taxes Cut or Eliminated.—Imports into Canada of producers' machinery and equipment and building materials are no longer subject to the war exchange tax of 10 percent ad valorem, according to an announcement by the Canadian Minister of Finance on May 10, 1945.

Additional benefits for building materials are their exemption from the sales tax of 8 percent which when applied to imported goods is assessed on the duty-paid value.

The special wartime excise taxes of 25 percent on household electric and gas appliances were removed entirely. Special excise-tax reductions of considerable importance are those on passenger automobiles, radios, phonographs, and cameras to a flat rate of 10 percent. Prior to this reduction, the special excise tax on passenger automobiles graduated from 25 percent on low-priced cars up to a high of 80 percent, while a rate of 25 percent was charged on radios, phonographs, and cameras.

The cut in taxes is for the purpose of encouraging house building and furnishing and of facilitating an early beginning in the transition from wartime to civilian production and employment, the Minister of Finance stated.

An order in council dated May 10 and effective May 14, 1945, providing the exemption of building materials from the war exchange tax covers the following products:

Bricks; building tile, building blocks and building stone; plaster; lime; cement.

Lumbers sash; doors; shingles; lath; siding; stairways.

Plasterboards, fiberboards, building paper, and materials other than wallpaper manufactured wholly or in part of vegetable or mineral fiber for wall coverings or building insulation.

Paints, varnishes, white lead, and paint oil.

Prepared roofings.

Shower baths, bathtubs, basins, faucets, closets, lavatories; sinks and laundry tubs, not including repair parts therefor, nor pipes and pipe fittings.

Glass for buildings.

Furnaces for heating buildings.

Locks and lock sets.

Structural steel to be used exclusively for the framework and support of buildings;

Articles and materials to be used or consumed exclusively in the manufacture or production of the aforementioned building materials but not to include materials consumed by waste or wear, or abrasives, lubricating oils, fuel oils, permanent or nonpermanent plant equipment.

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The same order rescinds the war exchange tax on "machinery and apparatus, including motive power, and complete parts thereof, to be used by manufacturers or producers in connection with the manufacture or production of goods in Canada, and articles and materials to be used in the manufacture of the foregoing; provided, however, that this exemption shall not include motor vehicles, office or other appliances, or office supplies."

Transport and Communication

Plans to Facilitate Traffic Through Montreal.—A six-lane highway, 7 miles long, has been planned by the City Planning Department of Montreal, Canada, to relieve crosstown traffic in that city. The projected highway would underpass or overpass existing through streets and facilitate traffic through the city toward the United States in one direction and Ottawa and Toronto in the other. The estimated cost of the improvement is between $17,000,000 and $18,000,000. Funds for the undertaking will be solicited from the Federal, provincial, and municipal governments.

Cuba

Tariffs and Trade Controls

Classification of Prepared Asphalt, and Cement and Putty of Asphalt Clarified for Import-Duty Purposes.—Imports into Cuba of prepared asphalts that do not contain asbestos or other products which distinguish it as a cement or putty are dutiable under Cuban customs tariff item 84–B, according to Cuban Customs Circular No. 46 of April 5, 1945. The circular further states that asphalts containing those ingredients which make it a cement or putty are dutiable under tariff item 98–A, as expressed in the United States-Cuba Reciprocal Trade Agreement.

[Cuban customs tariff item 84–B includes "natural colors prepared in any form, including prepared asphalt." The rate of duty assessed on imports from the United States is $0.70 per 100 gross kilograms. Tariff item 98–A covers "chemical products not specifically classified when imported in large containers or in bulk." Under the United States-Cuba Reciprocal Trade Agreement, cement and putty of asphalt are dutiable under this item at $0.018 per kilogram. Both items are subject to a surtax of 3 percent of the duty.]

Commercial Laws Digests

Regulations Governing the Employment of Foreign Technicians Promul-

New Bridge to Link Economies of Brazilian and Argentine Regions

The international railway and highway bridge being constructed jointly by Brazil and Argentina over the Uruguay River, between Uruguayana, Brazil, and Paso de los Libres, Argentina, is expected to be dedicated December 15, 1945, according to Dr. Clovis Pestana, director general of the State Highway Department of Rio Grande do Sul, Brazil, who visited Washington recently.

Work on the bridge was begun in 1941, but was delayed by shortages of steel, cement, gasoline and engine oil, says a statement by the Office of Inter-American Affairs (from which the remainder of this item is quoted). The problem of material shortages was solved by Argentina's selling the necessary cement, gasoline, and engine oil to the Brazilians for their bridge construction work while Brazil sold Argentina the steel necessary for its share.

The $2,250,000 bridge project consists of a sidewalk, two-lane roadway, and railway track, side by side. The structure will be 4,626 feet long (1,410 meters), resting on 40 piers. Each country is to do exactly half the work.

Brazil, Dr. Pestana said, has completed the foundations of all 20 piers on its side and most of the pier superstructures. Brazil has also built 460 feet (140 meters) of both road and railway bridge, with another 460 feet (140 meters) under preparation. Argentina has completed 17 of its 20 piers and 919 feet (280 meters) of the road bridge, with 460 feet (140 meters) of the railway bridge under preparation.

The Argentines also have built the access ramps and two of the four piers for the approach bridge of 360 feet (110 meters) over the marshy ground of the foreshore. Brazil has completed a wide arch over one of the streets of Uruguayana on the Brazilian shore.

The bridge will provide the first direct rail communication between Brazil and Argentina and will carry motor traffic over an alternate route of the Pan American Highway between Argentina and Brazil. It is expected to contribute importantly to the region's economic development.

Commerce between Brazil and Argentina through the river port of Uruguayana is growing. Brazil imports large quantities of dairy products, breeding cattle, foodstuffs, and fruits from Argentina through this port. Brazil shipped Argentina 12,642 metric tons of pine lumber alone through this port in 1942.

Argentina will have access to the southern Provinces of Brazil over the alternate route of the Pan American Highway from Uruguayana to Porto Alegre, and over the one-meter-gage Viação Ferrea do Rio Grande do Sul to Marcellino Ramos and thence to Sao Paulo via the Viação Parana-Santa Catarina and the Sorocabana railway.

gated.—Regulations setting forth the procedure to be followed before an employer may hire a foreign technician in Cuba are contained in Ministry of Labor Resolution No. 868 promulgated in the Official Gazette of April 18, 1945. This resolution repeals Ministry of Labor Resolution No. 111 of June 29, 1936.

Under the new regulations, every employer who wishes to employ a foreign technician must file an application with the Ministry of Labor, setting forth full particulars concerning the person to be employed and the work to be performed. He must present satisfactory evidence of efforts made to find a Cuban citizen to fill the position, including advertisements in local newspapers and certification from the appropriate labor exchange to the effect that no qualified Cubans are available for the job. The employer must further show that he proposes to train a Cuban to perform the work in question and must indicate the length of time required for such training.

Permits may be granted only for limited periods, not to exceed 1 year, and such permits may be canceled at any time by the Ministry of Labor if satisfactory evidence is presented of the availability of a qualified Cuban citizen to occupy the position.

Provision is made for publicity to be given by the Ministry of Labor to all applications for technical employment permits, in order that Cuban citizens who consider themselves qualified for the position may be given the opportunity to present themselves. If the employer should deny the qualifications of a Cuban candidate for the position, a commission, headed by the Director General of Labor and composed of representatives of the employer, of an official scholastic institution, and of "a person corresponding to the affected labor sector," will decide concerning such qualifications.

Persons who employ foreign technicians without having obtained the necessary permits in accordance with these rules are subject to sanction for violation of the Nationalization of Labor Law.

Transport and Communication

Developments in Aviation Facilities.—A new air-mail contract to run from 3 to 5 years was entered into on February 21, between the Cuban Ministry of Communications and the Compañía Cubana de Aviación. It eliminates the subsidy feature of the old contract, provides for the night carriage of mail between Habana and Santiago de Cuba, and carries a provision that ordinary mail will be carried by plane after all air mail is taken care of. The night service is scheduled to start by July 20.

On February 8 the government declared that privately owned or operated airports were to be opened to the use of all aviation companies authorized to operate or land in Cuba. Those affected are at San Julian, Camaguey, Cienfuegos, Manzanillo, Santiago de Cuba, Guantanamo, Baracoa, Antilla, and Ciego de Avila. The hard-surface air strip at Camaguey is being reconstructed, and a dirt strip is being built at Rancho Boyeros, in addition to a hard-surface strip constructed there late in 1944.

Improvement in Industrial Employment in Southern Netherlands

Improved conditions generally, and repairs and increase of industrial equipment, have practically eliminated the unemployment situation in many industrial cities of Holland's southern Provinces, says the Netherlands Information Bureau. For several months after the liberation of this area, there was an almost complete stoppage of all industry, as a result of war destruction and German looting.

The entire transportation system was paralyzed. The Germans, before their withdrawal, had shipped virtually all locomotives and motor trucks to the Reich; the extensive net of railways had been blown up and the inland waterways were blocked by destroyed bridges and sluices. The Germans had also stolen all movable industrial equipment, while the rest was either destroyed or made unusable.

Industrial unemployment was widespread. In the city of Eindhoven, for instance, out of 30,000 industrial workers who had been employed on September 1, only 6,000 were still employed on December 1. The other 24,000 were put on reduced pay (up to 80 percent of their normal wages) under Government guaranty until they could be returned to industry. Since then, industry has gradually absorbed most of these unemployed, so that out of the 30,000 industrial workers, only 3,000 are still waiting to go back to work.

As soon as more equipment is available, unemployment is expected to change into labor shortage.

Dominican Republic

Tariffs and Trade Controls

Alcoholic Beverages: Sales, Use, and Consumption Tax Increased.—The sales, use, and consumption tax on alcoholic beverages has been increased by the enactment of Law 806 of February 1, 1945, published in the Gaceta Oficial of the Dominican Republic, February 7, 1945. The new law amends the tax as follows (former rates are shown in parentheses): Spirits, whisky, gin, bitters, absinthe and spirituous liquors, such as anisette, apricot, benedictine, cocktails, cordials, and other beverages testing up to 46° centesimal Gay Lussac, at the temperature of 15° C., $1.15 per liter ($1); brandy and cognac up to 46° centesimal Gay Lussac, at 15° C., $1.15 per liter ($1); excess of alcohol above 46° in the products mentioned shall pay 2 centavos per centesimal degree and per liter.

Ecuador

Tariffs and Trade Controls

Certain Essential Foods: Exempted from Import Taxes.—Certain specified essential food products entering Ecuador have been exempted from all consular fees, import taxes, sales taxes and port charges by an Executive decree, published in the Quito press of April 26, 1945. The exemptions apply on all such products exported from the port of origin from May 1, 1945, until December 31, 1945. These products include the following: Farmyard animals and birds, also game, live; meat, salted or in brine; meat, dried, jerked, or hung; meat of all kinds, fresh or refrigerated; milk, powdered or in any other form; eggs, preserved in natural form or powdered; butter; fish and shellfish, fresh or refrigerated; fish in brine or pressed; potatoes, green peas, lentils, peas, beans, kidney beans and other leguminous seeds not mentioned; oats, worked or crushed or prepared for human food; corn; lard.

The Ecuadoran National Distributor agency, under provisions of the decree, may require, as it deems convenient, that merchants who import the above foods deliver to the agency up to 25 percent of the total of importations made and at the c. i. f. Guayaquil price. The decree further provides that similar exemptions may be extended to other food products not specifically set forth at present, on condition that parties seeking such exemption obtain a certificate of necessity from the Minister of Economy and the manager of the National Distributor agency.

French Equatorial Africa

Wartime Commodity Controls

Special Tax on Wood Cut for Domestic Use.—All wood cut in French Equatorial Africa, either mechanically or by hand, to be utilized for domestic needs, has been made subject to a special tax of 30 francs per cubic meter, effective January 1, 1945, by Order No. 2491 of December 13, 1944, published in the Journal Officiel of French Equatorial Africa on January 1, 1945.

Tariffs and Trade Controls

Butter: Exports from Tchad Reserved for Continental France.—Butter from Tchad, French Equatorial Africa, has been reserved for supplying continental France and may be exported solely to France and North Africa, by Order No. 2501 of December 14, 1944, published in the Journal Officiel of French Equatorial Africa and effective on January 1, 1945.

Exports for local consumption in Anglo-Egyptian Sudan and Nigeria, however, may be specially authorized.

Guatemala

Commercial Laws Digests

Guatemalans To Receive 75 Percent of Total Salaries Paid by Companies.—All commercial, industrial, or agricultural companies in Guatemala must pay at least 75 percent of their total pay roll to Guatemalan citizens, in accordance with Government Decree No. 60 of February 6, 1945, published in the Diario de Centro America of February 8, 1945, and effective February 15, 1945. The present decree is in effect an extension of the provisions of Decree No. 961 of December 19, 1927, by which it was established that at least 75 percent of the personnel employed in any commercial, industrial, or agricultural business in Guatemala must be Guatemalan citizens.

Haiti

Tariffs and Trade Controls

Cigarettes, Rayon, Fats and Oils: Distribution and Prices.—On March 1, 1945, the Haitian Secretary of State for Commerce and National Economy issued a communiqué to the effect that 80 percent of all cigarettes bought by an enumerated list of wholesalers and combination wholesale-retail dealers from importing distributors must be sold by these merchants on a wholesale basis. Cigarettes have been reaching Haiti in increasingly shorter supply during recent months, and the measure enacted represents an attempt to effect a more even distribution of available supplies throughout the market and is designed to force larger retailers to release supplies to smaller retailers who, in the normal course of events, would not be able to procure stocks.

A Haitian Government communiqué of March 8, 1945, complementing the above measure of March 1, set maximum prices for the first time on cigarettes of domestic manufacture. Regulatory measures on the domestic product had not been deemed necessary heretofore, since adequate supplies of imported cigarettes on which prices were fixed had tended to maintain prices for domestic cigarettes at constant levels. The growing shortage of imported cigarettes, however, has effectively removed the stabilizing element and prices for the domestic product have been on the increase.

Prices for sales of rayon by regular wholesalers, by combination wholesalers-retailers, and by retailers of rayon goods imported into Haiti were to be fixed for the first time on future arrivals of these goods, by terms of a government communiqué of March 15, 1945.

The Haitian Government has fixed prices on the sale of cottonseed cooking oil or shortening of domestic production, as a result of the acute shortage. With the commencing of grinding of the seed of the 1945 cotton crop, supplies of cooking oil and shortening are beginning to reach the market in small quantities, and prices were fixed on manteque (shortening) and cooking oil in order to prevent an abrupt rise in prices.

Import Recommendations No Longer Required on Additional List of Items.—The Haitian Service of Import Control released a communiqué on March 5, 1945, setting forth a number of items for which import recommendations would no longer be required for goods imported into Haiti after April 1, 1945. The items include Fourdrinier wire, tacks and nails, unmanufactured wood, and miscellaneous manufactures of wood. The list of commodities for which import recommendations are required has been decreasing steadily in scope and is now considered as including a relatively small "positive" list rather than encompassing the entire field of imports. Textiles constitute the only important group of items remaining on the list of those for which recommendations are essential.

Since December 1, 1944, Haitian importers have been required to file applications for "import recommendations" in three copies only; the No. 1 copy replaces the old No. 4 copy, and is returned to the importer for forwarding to his supplier. Furthermore, the United States exporter may now transfer to a Canadian exporter any import recommendation covering merchandise which is not available in the United States, and vice versa.

Iraq

Tariffs and Trade Controls

Trade Restrictions with Sterling Area Countries Removed.—Import licenses for group C commodities from sterling area countries will be issued without restriction provided the applicant is in possession of an offer or confirmed order, according to an Iraqi Ministry of Supply notification dated March 12, 1945. Group C commodities are those in relatively easy supply which are no longer controlled by the Middle East Supply Center. For these commodities the importer generally has a choice of loading areas, but, in view of the shortage of "hard currency" of such countries as the United States, Switzerland, and Portugal, the importer's choice is restricted by the maintenance of full Iraqi licensing procedure for goods from those countries.

Transport and Communication

Transport Operations, 1944.—The Iraqi State Railways during 1944 operated a narrow-gage line from Kirkuk in the north to Basra in the south, and a standard-gage line from Baghdad to Mosul, and on to Syria, Turkey, and Palestine. There was a shortage of passenger and freight cars. Additional air-conditioned passenger coaches have been ordered, and a new railway station has been planned for Baghdad.

Allied freighters made unscheduled trips to Basra and goods were given shipping space in accordance with their importance to the war effort.

The British Overseas Airways ran scheduled air services to Syria, Egypt, Iran, and India. The Iranian State Air Lines operated weekly services between Iraq and Iran.

During 1944 about 6,835 motor vehicles were in operation in Iraq, of which 2,114 were trucks, 1,020 busses, 1,232 taxis, and 2,469 private and government cars. About 125 of the trucks were in operation for trans-desert civilian and military traffic.

Mexico

Tariffs and Trade Controls

Gasoline: Import Duty Reduced.—Imports of gasoline into Mexico during the month of April and until further notice, are dutiable at 0.035 peso per liter, in accordance with an Executive circular telegram sent to the various customhouses of Mexico and published in the Diario Oficial of April 20, 1945. The previous duty had been 0.04 peso per liter.

Transport and Communication

Runways Under Construction at Torreon.—Two runways at the new airport under construction at Torreon, Mexico, are expected to be completed by the middle of June, according to recent information from that area. These runways will be 1,500 meters long. Work is contingent upon the continued receipt of asphalt for surfacing the main runway. It is estimated that 18 or 19 more tank carloads of asphalt will be required for this project.

Buildings for the airport should be completed by the end of September; but it is reported that on completion of several runways, these facilities may be used before the buildings are constructed.

Torreon, on the main air line of LAMSA between Mexico City and Ciudad Juarez and Nogales on the border, is connected with southwestern United States. There is also a service out of Torreon to Nuevo Laredo, and Àero-Transportes has a service to Monterrey. At Nuevo Laredo connections may be made with Braniff to San Antonio and northward. It is believed that direct air connection between Torreon and San Antonio would be well received in both cities, but definite plans are not yet under way to establish such a service.

Panama

Transport and Communication

Airport Completed.—The airport previously reported to be under construction by a fruit company at Changuinola, Bo-

(Continued on p. 40)

News by COMMODITIES

Automotive Products

Number of Vehicles in Italy

As of March 1, 1945, motor vehicles registered in liberated Italy included 19,161 trucks, 452 trailers, and 1,975 motortricycles, with a nominal total freight-carrying capacity of 33,687 metric tons. This is far below the 90,000-ton carrying capacity of the 36,100 trucks in operation in the same area at the close of 1939.

Two-Wheeled Car Designed by Swedish Engineer

An attempt to design "the people's car" has been made by an engineer of the Swedish Aeroplane Works at Linkoping, according to information from Stockholm. The car is said to combine the advantages of the small automobile and the motorcycle, and automotive exports reportedly have received it very favorably. The car is powered by a 15-horsepower motorcycle motor, and the converted chassis and seating arrangements resemble those of a small car.

During parking and starting, small idler wheels on the sides are let down; during the run these wheels are raised, which gives the car the appearance of a motorcycle. Despite the two-wheel feature, the car is reported to have satisfactory maneuverability and balance.

No statement has been made as to whether this new model is to be placed in production.

Beverages

Nonalcoholic-Beverage Industry, Cuba.

Cuba's soft-drink and mineral-water industry dates back to the early days of the Republic when a United States soft-drink firm established a subsidiary on the island and several Cubans and Spaniards also entered the industry. Until quite recently the nonalcoholic-beverage industry encountered much competition from beer and fresh fruit-juice sales. Several local manufacturers of bottled refreshments report that Cubans formerly preferred fresh fruit juices but that at present the bottled-soft-drink industry is enjoying great prosperity. This is attributed principally to increased purchasing power.

Cuba's production of bottled soft drinks in 1944, including a small percentage of carbonated waters, is placed at 10,052,035 cases (24 bottles), as compared with 6,822,401 cases in 1943 and 4,995,222 cases in 1942. As Cuba's population is approximately 4,700,000, the per capita consumption for 1944 was 2.1 cases.

A survey recently conducted among leading bottlers of mineral waters revealed that approximately 1,200,000 five-gallon glass jugs and 500,000 cases (24 bottles), with a total estimated value of $925,000, were sold in 1944 for domestic consumption.

The beverage business as a whole, excluding plants bottling only mineral water, represents a capital investment of approximately $3,000,000, and the industry employs about 2,500 persons.

Capital invested in enterprises bottling only mineral water amounts to more than $500,000. Several hundred additional persons find employment in this section of the industry.

Although the price of beer has been increased from 10 to 15 centavos per bottle, it is believed that the growth of the soft-drink industry has not been at the expense of beer sales, which have undergone a proportionate increase.

The average annual value of soft drinks, fruit juices, and mineral waters imported into Cuba for the 5-year period 1938 to 1942, according to official Cuban Government statistics, is practically offset by equivalent exports during the same period. The consumption of soft drinks and mineral waters in Cuba for 1944 would, therefore, be approximately equivalent to local production.

Chemicals

Potassium-Chlorate Production, Argentina

Production of electrolytic potassium chlorate is to be increased in Argentina, according to a foreign chemical publication. The company manufacturing this material plans to transfer its plant from the Buenos Aires area to Rio Negro, where a site of 5,000 acres has been purchased near the Cinco Saltos Falls.

Calcium carbide and a range of insecticides will also be manufactured.

Argentine Imports

Argentina's maritime imports of white arsenic increased more than 500 percent in 1944 over those of the preceding year, according to preliminary compilations. Comparable figures are shown as 1,488,914 and 256,768 kilograms, respectively.

Argentina's maritime imports of pyrethrum extract and flowers dropped substantially in 1944 from those of the preceding year, according to preliminary compilations. Comparable figures are shown as 74,541 and 291,540 kilograms, respectively. Other South American countries were the principal suppliers in both years.

Plastics Industry Planned in Egypt

Plans are under way in Egypt to establish a plastics industry using Egyptian cotton as a raw material, according to the foreign press. Full production is expected to start about the end of 1946.

Tests have been conducted for some time to find a substitute for wood flour, which is used as a basic material in many countries but which is not readily available in Egypt.

Eire's Research Bureau Being Closed

Although the Eire Emergency Scientific Research Bureau is being closed, plans to carry on its work by other organizations are under consideration, says a European chemical publication. Legislation covering these proposals is expected to be introduced into the Dail, it is stated.

Plastics Production, U. S. S. R.

The number of factories producing plastics in the U. S. S. R. has almost doubled during the war, says a European chemical magazine. Parts of automobiles, airplanes, and lathes are being manufactured, and also consumer goods, including sandals of colored plastic.

Juniper Berries and Orris Root From Italy

The Foreign Economic Administration is currently negotiating for substantial shipments of juniper berries and orris root to be shipped to the United States from Italy, FEA announced on May 11.

Juniper berries are used for pharmaceuticals and alcoholic beverages, and orris root as a base in perfumeries, elixirs, and face powders.

Importers desiring a share of these products are asked to submit the following data to the General Commodities Division, United States Commercial Company, Washington, D. C.:

(1) Quantities purchased in the years 1936 to 1940, inclusive.
(2) Entry date of shipments with entry number, if available.
(3) Port of entry.
(4) Country of origin.

Coal, Coke, and Fuel Gases

Coal Imports, Argentina

Normally, importations of coal into Argentina reach almost 3,000,000 tons per year. In 1940, imports were reduced to 2,000,000 tons; in 1941, they had decreased to 1,000,000, and in 1942 and 1943 they registered only 600,000 tons. According to preliminary figures, imports of coal and coal briquets during 1944

were 592,472 tons, a slight increase over official 1943 figures of 582,090 tons.

The chief sources of supply during 1944 were South Africa and the United States, which together supplied a little more than 85 percent of the total. Imports from South Africa more than doubled over the preceding year and those from the United States were 85 percent greater. The amount of coal imported from Peru was five times greater than in the preceding year. These increases, however, were offset by a severe decrease in coal imports from the United Kingdom and Brazil.

Although coal importations have been maintained at approximately the same level during the past 3 years, the fact that they were only 20 percent of normal has necessitated increased use of substitute fuels to a very great degree. The railroads have always been the chief single consumer of imported coal. In normal times they take approximately 50 percent of all the coal imported. Yet of the coal imported during 1944, only a little more than 30 percent went to the railroads, which meant that they had no more than an eighth of their normal supplies. With the possible exception of the meat-packing plants, other users also have been severely affected.

Argentine supplies of coke were extremely limited during 1944. Imports were 9,733 tons, or a decrease of about 83 percent as compared with imports for 1943, according to preliminary figures. Foundry coke was almost unavailable during 1944 to most industrial users. The principal source of supply was South Africa, although new sources for small amounts were found in Uruguay and Peru.

Swedish Mining Company Endeavoring to Increase Output

Because of the fuel shortage in Sweden, the Hoganas-Billesholms Aktiebolag, Sweden's only coal-mining concern, is endeavoring to increase its average daily output from 1,700 to 2,000 tons. Additional miners are being hired, and extra trucks for hauling the coal are being procured from the iron-ore industry in the north of Sweden. Hoganas coal, which is not of the best quality, is used chiefly by industries and nonelectrified railroads in southern Sweden where there are no local supplies of wood to be used as a substitute fuel.

Some few individuals owning small areas outside the Hoganas-Billesholms Aktiebolag concessions have been working seams near the surface or old shafts previously held by the company. Although much of the work has been done without machinery, even these methods have proved remunerative. About 90,000 tons of coal were taken out of the mines by private individuals during 1942 and 1943, when production was at its peak. Since then the mines have been gradually exhausted, and production has dropped.

Fuel Situation in Switzerland

Importation of coal into Switzerland reached a new low in 1944, when only 32 percent of the amount imported in 1939 was shipped into the country. Taking 1939 as 100 percent, imports dropped to 81 in 1940, 67 in 1941, 57 in 1942, 58 in 1943, and 32 in 1944.

In view of the great shortage of imported coal it became necessary for Swiss industries to use increasing quantities of substitute fuels until the amounts of substitutes, including domestic coals, almost has come to equal the amounts of imported coal used. Domestic anthracite and briquets, lignite, slaty coal, peat, wood, charcoal, sawdust, slag, tar residue, lignin, and tanner's bark have been burned in varying quantities by the different industries during the past year. Some industries were able to utilize much larger amounts of substitute fuel than others. The tobacco industry is reported to have used up to 84 percent as much substitute as imported fuel; the shoe factories, 83 percent; the instrument industry, 82 percent; machinery industry, 81 percent; cotton spinning mills, 80 percent; silk weaving mills, 78 percent; brickworks, 70 percent; and rolling mills 49 percent.

An effort is now being made to increase the output of Swiss mines as much as possible and to conserve imported supplies by strict rationing. To encourage domestic production, the Government is guaranteeing a market for the entire output for the current year.

Coal Reserves, Durham, U. K.

In the Durham coal field of Great Britain, reserves of coal in seams capable of being worked under present conditions amount to more than 3,000,000,000 tons, according to a recent report submitted to the British Ministry of Fuel and Power. The report states also that there are 737,000,000 tons of coal at present "sterilized" for support of the overburden and to avoid subsidence, of which 467,000,000 tons could be recovered if satisfactory financial and engineering arrangements were made. Flooded seams are estimated to contain 73,000,000 tons, much of which could be recovered if drainage schemes were initiated.

Reserves of Durham coking coals, said to be among the most valuable in Europe, are limited. Gas coal, which Durham supplies to London and south-coast gas plants and in peacetime to many continental cities, is estimated to be sufficient to last from 50 to 70 years. Reserves are said to be about 330,000,000 tons.

The United Kingdom's exports of coal in the year 1944 were valued at £4,530,000, according to the foreign press. During the preceding year they were valued at £6,190,000 and in 1942 at £6,041,000.

Flour Exports to Cuba: WFA's Agreement

On April 26, 1945, the War Food Administration completed an agreement with Cuba to make available to that country 1,200,000 200-pound bags of flour within the ensuing 12 months at a base price of $6.90 per 200-pound bag of bakery high patent flour, c. i. f. Habana.

To implement this agreement the CCC will announce from time to time the rates of payments to be made to United States exporters to equalize prices in the United States with the agreed-upon price at Habana.

The first rate was announced by CCC May 7, 1945, at Washington, Minneapolis, Kansas City, and Portland, Oreg. Generally, the procedure applicable to the CCC wheat-flour export program is to be followed. No allocations of quotas among exporters are now contemplated.

Construction

Permits Issued in Hamilton, Canada

Building permits issued in Hamilton, Ontario, Canada, during the 3-month period ended March 1945, were valued at $1,910,119, compared with only $239,853 during the corresponding period of the preceding year. The Steel Co. of Canada and the Procter & Gamble Co. were granted permits to build additions to their plants. These were valued at $888,000 and $680,000, respectively.

Permits valued at $20,000 were issued during March, which included alterations to 14 stores, 2 office buildings, 2 warehouses, and 2 churches. Permits valued at $52,500 for building 17 brick dwellings also were issued during the month.

Building Active in Medellin, Colombia

Despite shortages of important construction materials, building continued active in Medellin, Colombia, during the first quarter of 1945. A total of 456 building permits, valued at 2,551,150 pesos, were granted during the quarter. These included permits for 4 commercial buildings, 3 school buildings, 1 apartment house, and many one-floor residences.

Sewerage System Projected for Marianao, Cuba

A new drainage and sewerage system is projected for the city of Marianao, Cuba. It is estimated that the entire work, including the paving of streets and sidewalks, will cost $16,400,000. Funds for the project are planned to be obtained through taxation of the property owners of the city and by borrowing.

Activity in Panama

Approved plans for private construction in Panama City and suburbs were valued at $2,668,752 during the first quarter of 1945, says the Panamanian press. This includes the construction of new buildings and repairs and additions to existing structures. Residential buildings will comprise most of the construction activity.

Construction now under way or planned by the Social Security Bank will cost almost $2,000,000 and will include several apartment and tenement buildings. It is reported that the demand for dwellings in Panama City is greater than the number now being considered and that the housing situation still is critical.

The Bank of Urbanization and Rehabilitation intends to sponsor a low-cost

housing project for laborers. The houses now being planned will be comparatively small, but will have a combined living and dining room, bedrooms, kitchen, bath, and porch. Each house will have a garden.

Electrical Machinery and Equipment

Argentine Imports

Maritime imports of electrical machinery into Argentina in 1943 and 1944, according to preliminary figures, included those shown in the following table:

[In kilograms]

Item	1943	1944
Generators in general	19,382	88,894
Batteries, all types	241,780	54,236
Transformers and convertors	111,114	42,473
Electric watt-hour meters and other measuring meters	113,001	39,358
Electric motors and parts	325,339	193,335
Telephone and telegraph parts and apparatus	85,021	27,900

Rural-Electrification Plan, Ontario, Canada

A 5-year plan for further rural electrification in the Province of Ontario, Canada, will be launched as soon as materials are available, according to the Dominion press. The project will entail an expenditure by the Hydroelectric Power Commission of more than $22,000,000, and it is estimated that the area to be served by the new facilities should provide a market for more than $40,000,000 worth of electrical appliances and power farm equipment.

The plan calls for the construction of 7,329 miles of line, which will make electric power available to 57,904 new consumers, of whom more than 32,000 are farmers. It is estimated that at the end of the 5-year period nearly 85 percent of the farmers in the area will be served by the Commission's facilities, compared with about 55 percent at present.

Market potentialities for equipment over the period are broken down as follows: 18,800 ranges; 58,500 washers; 21,700 vacuum cleaners; 6,950 flat-rate water heaters; 90,000 electric irons; 24,600 refrigerators; and 95,500 radios. It is estimated that during the 5-year period 5,450 grain grinders, 3,150 milking machines, 7,400 water pumps, 3,950 cream separators, and 2,300 milk coolers will be installed.

To assist farmers in paying for their new equipment and appliances, the Ontario Government intends to make loans available again through the Rural Power District Loans Act, it is reported.

From the standpoint of employment the plan is estimated to involve total work of 24,513 man-years, or an average of somewhat less than 5,000 men for each year.

Power Production, Nicaragua

Production of electric power in Managua, Nicaragua, in 1944 increased to 7,032,000 kilowatt-hours from 5,139,200 kilowatt-hours in 1943 and 4,269,700 kilowatt-hours in 1942. The recent arrival of a new 1,500-horsepower Diesel plant with a 1,000-kilowatt generator is expected to boost production further in 1945.

Power production in five plants in Nicaragua (one each in Managua, Granada, and Diriamba, one on the east coast at Bluefields, and one on the west coast at Corinto) totaled 8,239,500 kilowatt-hours. Several small plants, including those at Bluefields and Corinto, work only a few hours a day because of the shortage of Diesel oil.

Erection of a hydroelectric plant near San Antonio is planned as soon as equipment is obtainable.

Power Restrictions Relaxed in Spain

The restrictions which had previously been placed on the consumption of electric power for industrial purposes in Spain were removed on April 8, 1945. This action was made possible by the rise in the water level and the reestablishment of a normal supply of electric power.

Streetcar services are back on normal schedules, but the 50 percent restrictions on the use of electric current for households, street lighting, illumination of shop windows, and electric signs continue.

Foodstuffs and Allied Products

Cacao

Rehabilitation of Cacao Industry, Trinidad, B. W. I.

Rehabilitation of the cacao industry in Trinidad, British West Indies, is progressing, and the number of applications for government cuttings of high-yielding strains already exceeds stocks available at propagating stations.

Under the government's program to aid the colony's cacao industry, 10 percent of existing cacao lands will be inspected for replanting with heavy-bearing and witchbroom-resistant trees.

Already 100,000 seedlings of the heavy-bearing variety are available and when they have been planted under the new process of close cultivation they will add 200 acres to the colony's cacao production.

Distribution of the seedlings is being determined by soil suitability, cultivation conditions, and the degree of witchbroom immunity at estates for government trees.

Local experiments with witchbroom-resistant varieties imported from South America is reported to be encouraging, but Trinidad soil conditions must be improved by intensive fertilization if the imported trees are to survive.

Dairy Products

Production and Exports, Australia

Production of butter in Australia during the 7 months ended January 31, 1945, amounted to 90,825 long tons, a decline of 13 percent from the corresponding period of 1943–44. Cheese production in the same period totaled 25,553 tons, a drop of 6 percent as compared with production in the 7 months ended January 31, 1944. Production of powdered, preserved, and condensed milk amounted to 111,718,835 pounds.

Exports of butter and cheese for the 7 months ended January 31, 1945, were somewhat larger than for the corresponding period of 1943–44, but it is stated that it will be difficult to achieve the 1944–45 export target of 40,000 long tons of butter to the United Kingdom.

Fruits

Canned-Fruit Production, Australia

The principal fruits canned in Australia are peaches, pears, apricots, and pineapples. The production of canned pineapple is confined to Queensland, whereas Victoria produces more than two-thirds of the total pack of other fruits.

The following table shows production of canned fruit in Australia in the years 1941–44, inclusive:

[In cases each containing 2 dozen 30-ounce tins or its equivalent]

Item	1941	1942	1943	1944
Apricots	288,149	181,893	215,610	327,946
Peaches	1,659,404	1,348,073	1,158,341	1,377,768
Pears	785,148	595,076	708,603	602,200
Pineapple	360,989	224,691	373,435	101,466
Total	3,093,690	2,349,733	2,455,989	2,409,380

In 1942, 1943, and 1944, large quantities of fruit were diverted into jam production. Because of the heavy requirements of the armed services, the output of jam in Australia has virtually doubled since the beginning of the war.

The 1943 pack of pineapple closely approximated the record production figure of 1940, but as a result of severe frost damage to pineapple plantations in the last quarter of 1943, production was se-

verely reduced in 1944. There was also a strong demand for pineapple on the fresh-fruit market and these two factors seriously curtailed supplies to factories in 1944.

In the decade prior to the outbreak of war, local demand for canned fruits increased substantially, and, with the increased purchasing power of the public in 1940 and 1941, civilian consumption was maintained at a high level. Because of the great demand for canned fruits for the services and auxiliary services, supplies for civilians have been greatly restricted in 1942, 1943, and 1944. Releases for civilian trade in 1944 aggregated 692,000 cases of canned apricots, peaches, and pears, which was substantially below domestic market requirements but a big advance over the 311,000 cases made available in 1943. Of the small 1944 summer pack of pineapple, 10,000 cases were allotted to the domestic market; details of the quantity released from the winter pack are not available. In 1943, about 80,000 cases of canned pineapple were made available for domestic consumption.

Prior to the outbreak of war, Australia's exportable surplus of canned fruits was approximately 1,850,000 cases per annum and represented about 60 percent of production. Of the total exports, about 85 percent was consigned to the United Kingdom and practically all of the remainder went to Canada, New Zealand, and the East. Because of the necessity of utilizing the limited shipping space for the export of basic foodstuffs such as butter and meat, shipment of canned fruit to the United Kingdom has been suspended since 1940. Greatly increased exports were made to the East—largely to Empire Army, Navy, and Air Force canteens there—in 1940 and 1941, but shortly after the entry of Japan into the war most Eastern markets were closed to Australia. However, since 1942 Service demands within Australia have been so heavy that commercial shipment of canned fruit has been virtually suspended.

Egypt's Citrus-Fruit Output

Total production of citrus fruit in Egypt in the 1944–45 season was somewhat lower than in the 1943–44 crop year.

The following table shows the production of citrus fruit in the two seasons:

[In kilograms]

Item	1943–44	1944–45
Oranges	146,756,294	152,613,183
Mandarins	70,231,044	49,822,168
Lemons	47,944,712	49,881,596
Sweet lemons	2,437,895	2,583,362

Exports of oranges and mandarins before the war were principally to Germany. In 1938 there were 5,300,000 kilograms of oranges and 3,900,000 kilograms of mandarins exported to that country. Some also went to the United Kingdom. Grapefruit and lemon exports were small. Oranges were imported from Palestine and Cyprus and lemons from Syria.

There were no citrus-fruit exports from Egypt in the 1943–44 season. In the 1944–45 season exports consisted of 141,700 kilograms of oranges, 13,371 kilograms of mandarins, and 33,750 kilograms of lemons.

A high tariff protects the Egyptian citrus industry. An extremely high tariff is in effect from October through April. On May 1, after practically all the Egyptian crop is consumed, the tariff is lowered to permit the local market to be supplied with citrus fruit. In addition, there are quarantine regulations applicable to imported fruit.

As a result of the war and high local prices, the Egyptian Government now permits the import of 15,000 tons of fruit from March 1 to August. By mid-March of this year there had been only limited movement of Palestine oranges into Egypt.

Banana Exports From Guatemala

Exports of bananas from Guatemala in March 1945 totaled 556,706 stems. This was 132,270 more stems than were shipped in the corresponding month of 1944 and 82,806 more than the average March shipments for the years 1941 to 1945. The value of the total shipments for the month calculated at f. o. b. prices Puerto Barrios and Champerico is approximately $356,292.

Citrus-Fruit Production, Spain

Spain's sweet-orange crop will amount to between 650,000 and 700,000 tons in the 1944–45 season, according to an unofficial estimate, as compared with actual production of 485,000 tons in 1943–44 and 500,000 tons in 1942–43.

With the exception of small quantities sent to Sweden, exports of sweet oranges during the current season have been confined to shipments under the British contract signed in Madrid on November 22, 1944.

Shipments of navel oranges to Great Britain were completed early in January 1945 and totaled 271,000 American boxes (of 28 kilograms net) of a maximum contract of 300,000 boxes. It is understood that a large percentage of these shipments arrived in Great Britain in a damaged condition, apparently because of the inability of the navel orange to stand the long voyages made under present conditions. It is therefore considered unlikely that the British will buy navels in the 1945–46 season.

With reference to the British contract for 2,300,000 cases of white and blood oranges, local representatives of the United Kingdom Commercial Corp. reported in February that shipments should pass the 2,000,000-case mark by February 24, 1945. The British report that these oranges are arriving in England in excellent condition. The contract was expected to be completed by the end of the first week in April.

Excluding the oranges needed to complete the British contract and the quantities necessary for Spain's needs, it is estimated that there are still available the equivalent of 1,500,000 45-kilogram cases suitable for export.

Production of grapefruit in Spain is unimportant and is confined almost entirely to the Provinces of Valencia and Castellon. Little attention is paid to the growing of this fruit, for which there is virtually no domestic market. Exports during the 1943–44 season totaled 16,117 cases with a net weight of 408,529 kilograms and were principally to Sweden and Switzerland, small quantities were sent to Denmark and Eire.

Lemons are grown in at least 28 of Spain's Provinces, but the production of this fruit is centered in Murcia; the Provinces of Malaga, Alicante, and Valencia, in the order named, are of lesser importance. The present crop is estimated at 26,000 tons.

Since a large crop of lemons can be expected only every 2 years and inasmuch as this is a "lean" year, the current crop is much smaller than in 1943–44, when exports alone (mostly to Germany) accounted for 28,756 net metric tons.

Jap Idea in Indies: Clothing Material as Lottery Prizes

A further indication of the miserable conditions under which the Indonesians are living under the Japanese "Co-prosperity" policy, came a few weeks ago when Netherlands Indies Civil Administration officers on New Guinea came into possession of a shipment of lottery tickets destined for the island of Amboina, in the Molucca Archipelago, south of Morotai. This island, which came under Dutch administration in the seventeenth century, has a preponderantly Christian population whose literacy and cultural level are among the highest of the Indies.

The price of the lottery tickets was 1 guilder each. The "list of prizes" read:

1st prize: 3,000 guilders and 220 pounds of rice.

20 prizes: 500 guilders and 5 yards of clothing material.

450 prizes: 10 guilders and 3 yards of clothing material.

700 prizes: 5 guilders and 2 cakes of soap (or 2 packs of cigarettes).

2,000 prizes: 1 guilder and 1 cake of soap (or 1 pack of cigarettes).

No further comment is needed.

Grain and Products

Corn Production in Brazil

Corn is produced in varying quantities in all States of Brazil, although the climate of a large part of the country is not compatible with high yields or extensive production. Until 1940, the States ranking highest in corn production were Sao Paulo, Minas Gerais, and Rio Grande do Sul. Since 1940 production in Parana has been approximately double that of the several preceding years, thus placing Parana among the principal corn-producing States. During the past 10 years the area in Brazil planted to corn has fluctuated around 4,000,000 hectares (1 hectare=2.471 acres), and production has been around 5,500,000 metric tons.

Tunisia's Esparto-Grass Output Still on Down Grade

Tunisian production of esparto grass—one of the better nonwood paper pulps—continued on the down grade in 1944, being officially reported at 8,000 metric tons as compared with 15,000 tons in 1943 and 45,000 tons in 1942. The average in the prewar period was 80,000 tons. The tremendous decline is attributed to the absence of demand from Great Britain (which before the war absorbed practically the entire output) and to the low prices paid to the pickers. The 1945 season seems to offer little hope of a more favorable return, and only 2,000 tons had been picked by the end of the second month.

Since the outbreak of the war, Tunisian esparto has been largely consumed at home as a fuel and as a raw material in the making of brushes, cord soles for canvas sandals, and circular mats or "scourtins" used in olive-oil presses. The electric power plant at La Coulette reportedly burned esparto grass as a substitute for coal until the German occupation in November 1942, and local railroads and mines continued to rely on esparto for fuel until liberation in May 1943 when supplies of wood and imported fuel oil and coal became available.

Exports of esparto have been nonexistent for the past 2 years, and the last shipments made—1942—were insignificant, being only 3,000 metric tons as compared with 17,180 tons in 1940, 89,000 tons in 1939, and more than 130,000 tons in 1938.

Tunisian stocks of esparto grass as of February 28, 1945, included 2,000 tons earmarked for fuel security, 1,000 tons for "scourtins," and 3,000 tons for possible shipment to France.

[See also the feature article on "Esparto Grass" in the July 8, 1944, issue of FOREIGN COMMERCE WEEKLY.]

Over a period of years exports of corn have varied widely, ranging from approximately 125,000 metric tons in 1938 to 390 metric tons in 1943 and 553 metric tons in 1944. In general, the foreign trade in this commodity is with nearby countries that import relatively small quantities for human consumption. Exports of corn meal are small.

Corn is in great demand in Brazil for both human and animal consumption. The quantity being consumed as food has probably increased as a result of increased prices for beans, rice, and charque. Increased numbers of hogs in Brazil has resulted in a strong demand for corn as feed.

RICE CROP, SAO PAULO, BRAZIL

The 1944–45 rice crop of the State of Sao Paulo, Brazil, is estimated at 16,000,000 bags of 60 kilograms each of rough rice, a record rice harvest for that State. This corresponds to 10,500,000 bags (of 60 kilograms) of clean superior rice, which will exceed the State's consumption by 3,500,000 bags.

CUBAN CORN CROP

Cuba usually produces corn in sufficient quantity for the island's requirements, and occasionally achieves a small export surplus. Production of corn in 1944 is unofficially estimated at 350,000,000 pounds, which is a larger output than in prewar years, when about 335,000,000 pounds were produced, but is smaller than the 390,000,000 pounds produced in 1943.

Exports of corn in 1944 were equivalent to 6,600,000 pounds. Most of the production was consumed by the Cuban people as corn meal.

The decline in production in 1944 as compared with 1943 is attributed to the severe drought and to the concentration of agricultural effort on sugar and tobacco. The decline in corn output by sugar and tobacco growers, however, was offset considerably through an increase in production by small growers and cattlemen of Oriente Province, the most important producing area.

Meats and Products

CATTLE AND SHEEP SLAUGHTER, BRAZIL

Drought conditions still prevailed in Rio Grande do Sul, Brazil, at the beginning of April and cattle are reported to be much thinner than they were in November and December 1944, when the drought began.

Early in the year it was anticipated that Rio Grande do Sul would be able to supply 480,000 head of cattle for charque, but this number was revised downward to 400,000 during the latter part of February. Meat Institute officials now state that it is doubtful if Rio Grande do Sul can supply 300,000 head for charque by May 31, which is the date now being considered by the Meat Institute for closing the 1945 slaughter.

Cattle slaughter for charque totaled 112,550 head by the end of March 1945, as compared with 89,823 head on the corresponding date in 1944. If no more than 300,000 head are slaughtered for charque in 1945, it will be slightly under the 311,000 head for the same purpose in 1944 but well above the 1941–43 average of 235,701 head.

Most of the cattle slaughtered since the beginning of the season in January have gone into either charque for national markets or fresh-meat production for local consumption. Cattle slaughter for processed meats by the Frigorificos totaled 30,000 head in the first 3 months of 1945, compared with 53,521 head for the first quarter of 1944. Total cattle slaughter for processed meat in 1944 was 271,661 head compared with the 1941–43 average of 400,000 head.

Because of the Federal order which bans the exportation of foodstuffs from Brazil for 6 months beginning March 2, 1945, all processed-meat production will be going to national markets or will be held in reserve until the export ban is lifted.

Trade sources in Brazil state that, even if exports were permitted, prices on all livestock are now so high that they could not compete with Argentina and Uruguay for foreign markets. In turn, prices are high because of the scarcity of marketable livestock—brought on by the drought and consequent feed shortages.

For the period 1941–43, approximately 903,342 hogs were slaughtered for all purposes in Rio Grande do Sul, according to the Department of Statistics for the State. Meat Institute officials are of the opinion that hog slaughter in 1945 may not reach more than the 1941–43 average, which is much below the estimated 1,134,909 head for 1944.

Sheep slaughter for all purposes during 1944 was estimated at 662,153 head by the Department of Statistics and is expected to reach 680,000 head or more in 1945, compared with the 1941–43 average of 590,000 head.

MEAT AND LIVESTOCK SITUATION IN FRANCE

France's livestock and meat situation is reported to be critical. Production at prewar levels cannot be expected for a number of years. Need for meat is said to be so great that, even with low rations, slaughter during 1945 may further reduce herds. Imports may be required for several seasons.

Before the war, livestock and its products furnished more than one-third of France's agricultural income. By the end of 1944 drastic reductions in numbers had occurred, there being less than two-thirds as many sheep and swine and three-fourths as many cows and horses as the average for 1929–38. The number of oxen was approximately the same as in prewar years.

The following table shows a tentative estimate of numbers of livestock in France in the years 1937 to 1944, inclusive:

[In thousands]

Type of livestock	1937	1938	1939 [1]	1940	1941	1942	1943	1944
Cattle	15,805	15,622	14,662	14,857	15,991	16,282	14,997	13,830
Swine	7,117	7,127	6,794	5,425	5,164	4,819	4,204	4,285
Sheep	9,994	9,872	9,027	7,775	7,850	7,171	6,715	6,316
Goats	1,447	1,416	1,345	1,314	1,133	1,244	1,000	1,000
Horses	2,742	2,692	2,185	2,187	2,264	2,259	2,184	2,090

[1] From Statistique Agricole Annuelle with a correction added for Alsace-Lorraine. The 1939 Statistique Agricole did not include the Departments of Moselle, Haut-Rhin and Bas-Rhin. The estimated numbers for these Departments in 1938 were added to the totals for 1939.

In addition, a tentative estimate of the numbers of poultry products and rabbits in France in 1937 compared with 1944, is as follows: Chickens, 145,000,000 (130,000,000); geese, 5,900,000 (6,000,000); ducks, 22,000,000 (22,000,000); turkeys, 4,300,000 (4,000,000); guinea hens, 2,050,000 (2,500,000); pigeons, 26,000,000 (25,000,000); and rabbits, 96,000,000 (150,000,000).

Statistics for the years 1940–43 are considered to underrepresent the number of livestock. The French officials who were in charge of their preparation characterize them as having been falsified to the "limit of acceptability by the Germans."

Feed supplies are short. Drought had severe effects in the last 3 years with heavy losses of hay and pasture. Feedgrain production is short and may require 2 years to regain. Secondary cereals and oilseed cake from trade imports cannot be had in volume until foreign trade is well established.

Rehabilitation of the livestock industry in France depends upon general recovery of the industrial and agricultural economy. Of special importance at this time is the Government's policy of forcing slaughter to satisfy the demand for meat. If, during the next year or two, meat impositions and collections are large, feed supplies continue to be short, farm-labor shortages persist, and transport remains inadequate, it may take from 8 to 10 years for cattle recovery, 3 to 4 years for hogs, and 2 to 3 years for poultry. The extent of horse breeding will depend upon the degree to which farm mechanization occurs. Recovery of the sheep industry is not expected.

It appears that France will have, in 1945, from her own production, less than two-thirds as much meat as was consumed in prewar years (1933–38), an average of 413 grams per person per week, compared with 642 grams. Perhaps more important than the decrease in the total quantity of meat is the inequitable distribution of available supplies. Certain segments of the population may consume almost prewar amounts; "normal consumers," on official rations, will average only 133 grams. Regional and seasonal variations in supply will further reduce this quantity for some normal consumers.

One-fourth of the 1,000,000 tons of meat estimated for 1945 may be slaughtered clandestinely, one-fourth killed on farms, and one-half in public slaughterhouses. In comparison with prewar years there will likely be nine-tenths as much beef, half as much mutton and pork, and three-eighths as much veal and horse meat. There should be a slight decrease in the amount of poultry, but an increase in rabbit meat. Fish supplies will be much lower than prewar quantities but should increase during the year.

Sugars and Products

Sugar Subsidy, Trinidad, B. W. I.

The British Government has agreed to subsidize newly planted or replanted sugarcane fields in Trinidad, British West Indies, at the rate of $20 per acre. If the estimate of 16,000 acres to be subsidized is exceeded, the rate of subsidy will be based on the sum of $320,000 and determined by the acreage planted.

The subsidy will be paid in three installments. The first, at the rate of $5 per acre, will be paid in July 1945; the second, at the rate of $10 per acre, will be paid in October 1945; and the third, at the rate of $5 per acre, if the total acreage of crop and wet-season planting does not exceed 16,000 acres.

The subsidy of $20 per acre for 1945 is less than the $40 per acre granted in 1943, but during that year only 4,290 acres qualified for the subsidy. This compares with 15,300 acres which qualified in 1944, upon which the 16,000-acre estimate was made for 1945.

Trinidad is expected to produce 80,000 tons of sugar in 1945, according to a conservative estimate. Of this, approximately 60,000 tons will be exported.

Restoration of Sugar-Beet Production in Italy

Reports from Italy indicate that prior to VE-Day, preparations were made for restoring sugar-beet production in the area then under Allied control.

As the Germans retreated, they systematically destroyed sugar-beet factories. Subsequently some equipment was salvaged and repaired. One factory in the Compartimento of Emilia is expected to be ready to process beets by August. The Allied Commission reported that by late summer, despite the tremendous demolition caused by the Germans to all sugar-beet factories in the area, the Provinces of Forli and Ravenna will be in a position to produce 6,000 metric tons of sugar this year as a result of Eighth Army AMG efforts.

The following table shows area planted and production of sugar beets in Italy in the years 1936 to 1942, inclusive, with estimates for 1943 and 1944:

Year	Area	Production
	Hectares	*Metric quintals*
1936	1,211,000	26,318,000
1937	1,338,000	35,235,000
1938	1,380,000	32,805,000
1939	1,469,000	36,709,000
1940	1,726,000	52,455,000
1941	1,512,000	41,712,000
1942	1,483,000	36,888,000
1943	[1] 681,000	[1] 13,394,000
1944	[2]	[3] 1,986,000

[1] Provisional data. An estimate by the Central Statistical Institute.
[2] Not available.
[3] Only about 5.7 percent of Italian production of sugar beets accounted for in 38 Provinces of occupied Italy covered in census of September 1944.

Production in Madagascar

The 1944 sugarcane crop of Madagascar and Dependencies totaled 235,000 metric tons, as compared with 227,500 tons in 1943.

Sugar production in the grinding season from July to December 1944 totaled 12,197 metric tons. Stocks of sugar on hand on March 15, 1945, amounted to 7,446 tons, including 2,650 tons purchased by the French Army, thus leaving a balance of 4,796 tons.

Sugar production for the crop year 1945–46 is estimated at between 11,000 and 12,000 metric tons.

Production of sugar last season would have been higher but, because of the shortage of gasoline, some of the sugarcane juice was converted into alcohol for making carburant for motor vehicles. In fact, in the Tamatave and Majunga regions, both of which are sugar-producing centers, the use of gasoline for motor

Argentine Corn Supply Considerably Smaller Than Last Year

Supplies of corn in Argentina for the current marketing season, which began April 1, probably will approximate 220,000,000 bushels, according to reports to the USDA Office of Foreign Agricultural Relations. This would be considerably less than the 350,000,000 bushels available last season, when a good harvest offset a small carry-over.

Estimated supplies for the current season would cover Argentina's normal food, feed, and seed requirements of 75,000,000 bushels and leave around 145,000,000 bushels for additional domestic use as fuel and feed, or for export or carry-over.

Normally Argentina is the world's largest export producer of corn, exporting in excess of 200,000,000 bushels annually. Only relatively small quantities of these exports enter the United States, however, as this country ordinarily is on an export basis. It appears that around 100,000,000 bushels may have been carried over into the current marketing season, but that a substantial part of the carry-over is in poor condition. Should any quantities of corn be needed for fuel, inferior carry-over stocks probably will be used.

Some trade sources place the surplus of old-crop corn suitable for export at around 28,000,000 bushels. The extent to which corn may be used for fuel during the current season is the most uncertain factor in the export supply situation. Until a sizable quantity of coal can be imported regularly, many industrial plants and public utilities in Argentina may find the continued burning of corn necessary. Estimates of the quantity used for that purpose during the 1944–45 season range from 118,000,000 to 157,000,000 bushels. In addition, substantial quantities of other grains and protein meals were burned. These are not expected to be available for that purpose this season.

The 1945 corn crop in Argentina is now estimated at only 121,000,000 bushels, a reduction of about 65 percent from the slightly above-average 1944 crop of 344,000,000 bushels.

vehicles was restricted, resulting in consumption almost entirely of carburant.

There are no administrative restrictions on the local sugar trade, but stocks must be declared at the end of each month to the Direction of Economic Affairs at Tananarive.

Iron and Steel

Argentine Imports

Preliminary estimates of some of the iron and steel products imported by sea into Argentina in 1943 and 1944 are shown in the following table:

[In metric tons]

Item	1943	1944
Pig iron	21,520	19,555
Iron and steel bars, including concrete reinforcing bars	25,332	38,372
Iron and steel sheets, galvanized	1,486	7,914
Black iron sheets	7,744	4,500
Strip, hoop, band, scrap iron, and steel	5,041	8,309
Tin plate and scrap	29,252	35,798
Structural shapes	11,998	17,620
Tubular products and fittings, all types and class	3,412	5,788
Iron and steel ware, uncoated	3,688	2,262
Galvanized wire	1,107	458
Ferromanganese	3,127	1,273
Ferrosilicon	1,318	1,196

Leather and Related Products

Cuban Foreign Trade

Exports of leather and related products from Cuba during November 1944 were approximately as follows: 9,000 kilograms of hides and skins valued at $24,000; 111,000 kilograms of leather scrap valued at $25,000; 11,000 pairs of leather shoes valued at $55,000; 3,000 kilograms of leather handbags and belts valued at $74,000; and 1,000 kilograms of alligator leather handbags and belts valued at $27,000.

Imports during the month included 1,641 metric tons of tanning materials valued at $159,000.

Imports Into Dominican Republic

Boots, shoes, and slippers imported into the Dominican Republic during 1944 weighed 5,400 kilograms and were valued at $36,009. Leather imports weighed 169,649 kilograms and were valued at $147,812.

Iraq's Imports

Iraq's upper leather imports and hide and skin exports increased substantially during November 1944 over those of the preceding month. Imports of upper leather during November with figures for October in parentheses totaled 16,089 (1,940) square meters, and were valued at 18,526 (1,945) dinars. Exports of hides and skins totaled 109 (28) metric tons, valued at 22,856 (3,775) dinars.

Livestock

Livestock Population, Belgium

During the year ended January 1, 1945, the number of farm horses in Belgium increased more than 15,000, or to a total of 238,132; cattle numbers rose 48,500, to 1,440,144; sheep decreased about 14,500, to 198,586; pigs rose 150,000, to 635,020; goats declined about 18,000, to 118,736; rabbits decreased 166,000, to 181,736; and official poultry numbers increased 181,000, to 2,375,740.

Cattle less than 1 year old accounted for 39,000 of the increase in cattle numbers; cattle from 1 year to 2 years old rose in number 61,000. On the other hand, cattle of from 2 to 3 years old declined 7,700 and those of 3 years and more about 1,000. All told, cattle other than dairy cattle increased by 91,307, to 656,974. Dairy cattle, on the other hand, declined by 42,722, to 783,170.

Young pigs accounted for most of the increase in pig numbers. Pigs of less than 8 weeks rose more than 24,000, to 81,913; pigs of 8 weeks to 6 months jumped 84,000, to 303,300. Older pigs also increased in numbers, reflecting the attempt by farmers to restore pig numbers to the prewar level.

Livestock Production, Brazil

Livestock ranks first in Brazil's agricultural economy, according to the Production Statistics Service of the Brazilian Ministry of Agriculture which has recently completed an analysis of production statistics for the years 1940, 1941, and 1942. This analysis has been published in a monograph entitled Aspectos da Producão de Origem Animal, 1940–42.

According to the data collected by the Production Statistics Service, livestock and livestock products produced in 1942 were valued at 4,318,000,000 cruzeiros. Raw milk consumed during the year was valued at 600,000,000 cruzeiros, giving a total value for production of animal origin of approximately 5,000,000,000 cruzeiros. The monograph takes this figure of 5,000,000,000 cruzeiros and compares it with the value of the other leading agricultural commodities produced during 1942, assigning the index No. 100 to the value of livestock production and calculating other products in terms of percentage indexes as related to livestock production. Following are the results:

Production of animal origin	100.00
Cotton, including cottonseed	35.81
Corn	31.63
Wood, including firewood	31.41
Sugar, alcohol, and rum	28.55
Coffee	24.34
Rice	23.59
Manioc flour	9.16
Rubber	4.31

While this comparison set up by the Production Statistics Service is based on the value of both livestock and livestock products and therefore includes many items which are not really a part of direct farm income, a careful analysis of prices paid to farmers for cattle, hogs, sheep, goats, and dairy products would still place livestock in the leading position, although comparative ratio would be less impressive.

The popular conception that coffee and cotton are the two leading agricultural commodities in Brazil perhaps arises from the fact that they rank first and second respectively in foreign trade. Calculations in the following table are on the same basis as in the preceding table and cover exports for the years 1938–42:

Products of animal origin	100.00
Coffee	263.71
Ginned cotton	119.45
General manufactures	43.99
Cacao	30.29
Carnauba wax	24.02
Woods	17.23
Castor beans	16.58
Rubber	10.97
Diamonds	10.84
Rock crystals	10.31

Agreement to Buy Argentina's Exportable Surpluses of Vegetable-Oil Products

Leo T. Crowley, Foreign Economic Administrator, announced May 10 that an agreement has been reached with the Argentine Republic for the purchase by the United States Commercial Company of exportable surplus vegetable-oil seeds and their products, to be delivered in 1945 and 1946.

USCC is to purchase all of Argentina's 1945–46 exportable surpluses of edible oils and peanuts, less the normal amounts exported to other Latin American republics. Distribution will be agreed to through the Combined Food Board mechanism, and it is expected that a large share of these commodities will be purchased for the account of Europe, where they are badly needed as food.

In addition, the agreement provides for the purchase by USCC of the 1945–46 exportable surplus of flaxseed and linseed oil and linseed meal. Linseed oil is used chiefly industrially and is in very short supply in the United States and Europe. Linseed meal is a protein feed badly needed for feeding the dairy herds in western Europe.

In return for the linseed products, which the Argentines have been using as a fuel because of the shortage of fuel oil in their country, the United States undertakes to make available additional fuel oil to Argentina. The exchange will be based on the relative heat-producing capacity of linseed products and fuel oil.

The United States Commercial Company will be the exclusive purchasing agent of these commodities for the United Nations and neutral countries.

Machinery, Other Than Electrical

Imports Into Argentina

Some of the maritime imports of machinery into Argentina in 1943 and 1944,

as reported in preliminary compilations, are shown in the following table:

Maritime Imports of Machinery Into Argentina, 1943 and 1944

Item	1943	1944
	Kilograms	*Kilograms*
Steam engines, boilers and accessories, specialties, condensers	77,088	19,099
Internal-combustion enngines and parts (include Diesel marine)	305,672	83,375
Construction and conveying machinery and parts (except hoists and elevators)	52,072	60,923
Metal-working machinery	146,308	86,225
Textile machinery	1,991,771	1,187,888
Refrigerating equipment		208,289
Ball and roller bearings and balls and rollers	110,552	11,789
Industrial machinery	667,448	395,975
Printing and bookbinding machinery	82,967	34,517

Canadian Imports of Textile Machinery

Imports of textile machinery into Canada in 1944 had an estimated value of $4,000,000 compared with $3,000,000 in 1943. These figures are somewhat lower than those for earlier years, such as 1942 when imports of this kind of machinery were valued at $5,700,000 and 1941 when the value was $6,400,000.

During the 10-year period 1929–39, Canada's total imports of specialized textile machinery were valued at $35,500,000, of which more than $26,000,000 worth came from the United States. Imports from Great Britain during the period were valued at $6,842,000, with smaller amounts coming from Germany, France, Switzerland, and Italy. Imports from the United States accounted for about 74 percent of the total during this period and those from Great Britain for about 20 percent.

Small Tractors to be Produced, Sweden

A plant has recently been completed in Goteborg, Sweden, which will produce a small two-wheel garden tractor, designed along the lines of its United States prototype. The tractor will be powered by a kerosene-burning two-cycle motor, and it will be operated by a man walking behind it. Equipped with a combination plow and harrow, it also can operate other agricultural implements for use in gardens and on small farms. The motor will be built in two sizes, the larger one being suitable for stationary purposes.

Although the tractor is designed for Swedish requirements, special attention will be paid to export needs.

Metals and Minerals

Maritime Imports, Argentina

Maritime imports of nonmetallic minerals and products thereof into Argentina in 1944, with figures for 1943 in parentheses, according to preliminary figures, included 26,273 metric tons of firebricks (20,047); 3,257 metric tons of tiles (2,145); 5,273 metric tons of asbestos fibers (4,929); 1,458 metric tons of stone, cement, and lime (592); and 8,140 metric tons of clay (13,557).

Preliminary figures of maritime imports of nonferrous metals into Argentina in 1944, with figures for 1943 in parentheses, included 3,990 metric tons of refined copper in ingots (2,798); 2,182 kilograms of copper pipes and tubes (5,048); 739 metric tons of copper plates and sheets (1,702); 2,070 metric tons of manganese metal and alloys (96); and 9,577 kilograms of precious metals (8,636).

Aluminum Production in Brazil

The aluminum plant at Ouro Preto, Brazil, which was under construction for 3 years, went into production on March 29. With rated output capacity of 2,500 tons annually, this plant can supply sufficient quantities of aluminum to meet the country's needs, estimated at 2,000 tons.

Bauxite deposits owned by the operating company, near which the plant is located, are reported to be sufficient for 100 years of operation. Lime is produced in company kilns at Santa Luzia, Minas Gerais. Other materials such as caustic soda, cryolite, and fluorspar must be imported at present. Electric current totaling 17,000 kilowatts is developed at three company plants in the vicinity of the Ouro Preto area, with 33,000 kilowatts additional in view. Filtered water, up to 300,000 liters per hour, is brought in from a plant 1½ kilometers distant. Fuels such as wood and lignite are available locally, but oil must be imported.

Plans for Cement Plant, Brazil

A comprehensive plan for the construction of a cement plant in the State of Baia, Brazil, has been submitted to the Brazilian National Petroleum Council on behalf of certain industrial interests in Baia. The proposed plant would have an initial production of 120 metric tons of cement daily, to be increased to twice that amount within 3 years.

It has been estimated that the proposed plant would require 32,000 cubic meters of gas daily, which can be supplied by the large Aratu gas field recently opened up. Installations will be so located that limestone from the neighboring State of Sergipe will be readily accessible. Present plans indicate that the site will be about 30 miles from the city of Salvador.

Cement Output To Be Increased, Colombia

The new cement plant "El Cairo," under construction near Montebello (Antioquia), Colombia, about 55 kilometers south of Medellin, is expected to begin operation in 1946. A paved road leading to the site of the plant is expected to be completed in June of this year. The cement company will be a part of the Empresa Siderurgica, which is at present the only steel-manufacturing plant in Colombia.

Whereas the total production capacity of cement factories now in operation in Antioquia amounts to about 350 tons a day, the capacity of the new plant is expected to be between 420 and 450 tons. Electrical cement-making machinery will include a 10,000-kilowatt main furnace and a 300-kilowatt stand-by furnace.

A complete cement-making plant has been purchased in the United States, and a portion of the 8,000 tons of machinery is already in Buenaventura awaiting transportation to Medellin; a second shipment is en route by steamer; and

Imported Watches for Army Exchange Service: New Clarification of Policy by WPB

The policy to be followed by the War Production Board in assigning specified types and sizes of imported watches and watch movements for delivery to the Army Exchange Service by watch importers was clarified by WPB on May 10.

Beginning as of that date, WPB will assign for delivery to AES 50 percent of the following types of imported watches and watch movements received by each watch importer:

1. 10 ligne and larger men's waterproof watches with round movements (except watches in cases containing gold in any form).
2. 10 ligne and larger men's nonwaterproof watches with round movements (except watches in cases containing gold in any form).
3. 10 ligne and larger round movements.

Imported watches and movements assigned for delivery to AES are channeled by AES to Army post exchanges and Navy ships' service stores for resale to servicemen. The types and sizes specified are those considered best suited to military use.

The AES requirement for 1945, presented to the WPB Requirements Committee last year, showed an increase of 100 percent over the preceding year's requirement and represented about three times the number of watches required for resale in 1943. AES has indicated that the increasing requirement is a result of a combination of the greatly increased number of men now overseas and the constantly increasing need for replacements. In the light of recent developments, including the announcement of VE-Day, the AES watch requirement will be reviewed and consideration will be given to any decrease that can be effected in the requirement, WPB officials said.

Watch importers previously authorized to distribute sizes and types of watches or movements, other than those indicated above, to AES, may apply by letter to WPB for a release from such obligations.

the remainder is being packed for shipment.

It was reported early in April that, of an authorized capital of 8,000,000 pesos, about 6,000,000 had been paid in.

Mining of Gold and Silver Expected To Increase, Honduras

The value of exports of doré bullion from the Rosario Mine near Tegucigalpa, Honduras, in 1944 totaled $1,344,400 of silver and $743,044 of gold, compared with exports of $1,343,172 worth of silver and $682,839 of gold in 1943. Exploratory work has been continuing, and the mining of gold and silver is expected to increase considerably when machinery again is available.

Production in Iran

Estimates of production of metals and minerals in Iran in the years ended March 20, 1940, to March 20, 1944, inclusive, are shown in the following table:

[In kilograms]

Item	1940	1941	1942	1943	1944
Alum		2,968		42,200	
Antimony (ore)		3,750	68,000		66,270
Arsenic (ore)	185,377	261,400	280,000	722,000	408,804
Arsenic (pure)			1,500		
Coal (semibituminous)	74,500,000	91,730,000	89,591,000	81,581,000	69,147,000
Copper (ore)	642,610	773,695	557,338	348,500	396,832
Copper (metal)		90,000	110,950	82,100	39,000
Chromite				435,000	1,266,820
Iron (ore)	114,900,000	122,925,000	64,733,000		
Iron (oxide)	17,093,000		9,562,000	200,000	
Manganese (ore)	2,320,000	3,270,000	1,800,000		
Nickel (ore)	69,920	28,730	21,856		
Sulfur (crude)	477,235	608,952	732,000		294,442

Metal Imports and Exports, Nicaragua

The value of exports of gold and silver from Nicaragua in 1944 was $7,977,953, compared with $7,902,323 in 1943 and $8,521,080 in 1942. Exports in 1944 included 224,705.70 troy ounces of gold, valued at $7,864,699, and 250,395.25 troy ounces of silver, valued at $113,254.

Expansion of gold and silver mining and ore processing is anticipated when the equipment and material are available.

Imports of iron, steel, and metal products into Nicaragua in 1944 had a total estimated value of $800,000. They included iron and steel products estimated at $688,000; copper and alloy products at $75,000; base metals $37,000; and aluminum $234.

Peruvian Imports

The value of imports into Peru, exclusive of lend-lease items, under the classification "stones, earthenware, including chinaware, glassware, cement, and similar items," totaled 10,600,000 soles in 1944, 10,400,000 soles in 1943, and 7,200,000 soles in 1942.

Imports into Peru, exclusive of lend-lease, under the classification "iron, steel, and aluminum products" were valued at 31,500,000 soles in 1944 compared with 23,600,000 soles in 1943 and 16,600,000 soles in 1942.

Imports of crude and processed metals were valued at 15,300,000 soles in 1944, the same amount in 1943, and 7,800,000 soles in 1942.

Spanish Cement Industry

Cement sales in Spain totaled 1,627,773 metric tons in 1944 compared with 1,583,063 metric tons in 1943. With a productive capacity of 2,500,000 tons and a demand estimated at 2,000,000 tons, output was limited by the supply of fuel and power.

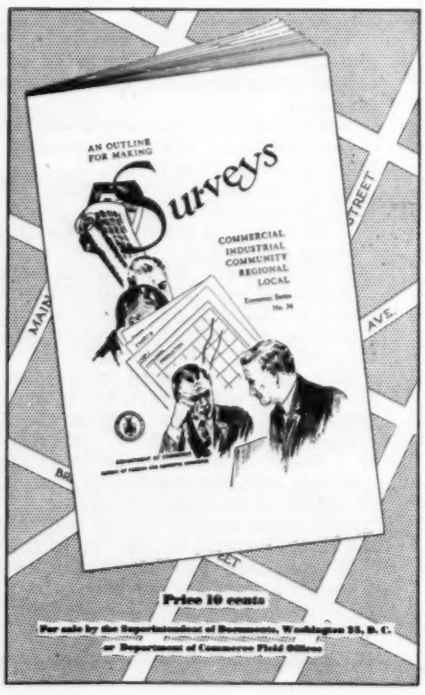
Despite the fuel shortages, the wet process is favored because it is claimed that maintenance of equipment is lower than in dry-process plants. No additional cement plants were built in 1944, but it is planned to build a number of units when material and equipment are obtainable.

In Madrid only the chassis for the trucks is lacking for the first installation of a ready-mixed concrete delivery by means of truck.

Motion Pictures and Equipment

Films Shown in Eire

A total of 909 motion-picture films, of which 90 percent was produced in the United States, was imported and shown in Eire during 1944. Of this number, 312 represented films of over 2,000 feet; 253, films of 2,000 feet or less; 205, trailers; 187, interest or topical films; and 42, educational films. There were 90 others shipped in but not shown because they were rejected by the censor.



Increase in Motion-Picture Business, New Zealand

There were 525 motion-picture theaters in operation in New Zealand during 1944, according to figures published by the New Zealand Motion Picture Exhibitors' Association which concluded its seventeenth year of operation on March 8, 1945. Although the number was 2 larger than in 1942–43, it was not so large as that reported for 1941–42 when there were 548 in operation.

Paid admissions during the year ended March 31, 1944, increased to £NZ38,256,659 as compared with £NZ34,034,232 for the preceding year. Actually, however, the increase indicates not so much greater theater-going on the part of the average citizen as the presence of visiting servicemen in the main centers and the fact that the 15 theaters conducted by the Canteen Board in the Army and Air Force camps were for the first time included in the totals.

At present, all of the 163 major exhibitors and 244 of the 290 independent exhibitors in terms of licenses, are members of the Motion Picture Exhibitors' Association.

Naval Stores, Gums, and Resins

Shellac Imports Increase, Argentine

Argentina's maritime imports of shellac increased substantially in 1944 over the 1943 total, when shipments were greatly reduced because of wartime shortages. Comparable figures are 393 and 23 metric tons, respectively, according to preliminary compilations. Some gum lac from Brazil is included in these totals.

Rosin and Turpentine Production, India

Rosin production in India in the fourth quarter of 1944 amounted to 2,145 long tons, a slight decrease from the preceding quarter. Stocks on hand December 31 totaled 2,221 tons, a substantial increase from the third quarter figure of 1,680.

Turpentine output in the December quarter totaled 466 long tons, and stocks at the end of the period amounted to 825 tons. Production dropped slightly, but stocks showed a small increase compared with the third quarter of 1944.

Paints and Pigments

Maritime Imports Decrease, Argentina

Argentina's maritime imports of paint materials showed substantial decreases in most cases in 1944, compared with the preceding year, according to preliminary compilations. Imports of litharge (white lead) dropped to 181,597 kilograms in 1944 from 556,061 in 1943; red-lead imports, however, increased from 11,638 kilograms in 1943 to 101,682 in 1944. Titanium-dioxide imports de-

clined from 315,765 kilograms to 76,525.

Imports of chrome pigments decreased from 55,936 kilograms in 1943 to 1,146 in 1944, and those of chemical pigments and dry colors, n.o.s., from 255,175 kilograms to 59,496.

Lacquers and thinners showed a slight increase—from 36,710 kilograms in 1943 to 37,490 in 1944—but imports of varnishes dropped substantially—from 285,563 kilograms to 98,518.

Canadian Imports

Canada's imports of paints and varnishes decreased slightly in value in February 1945 compared with imports in the corresponding month in 1944, according to the Dominion Bureau of Statistics. Figures are shown as $541,000 and $595,000, respectively.

The value of imports for the first 2 months of 1945, however, show an increase over that of January and February 1944, totals being $1,191,000 and $1,160,000, respectively.

Petroleum and Products

Supplies in Argentina

Total petroleum production in Argentina during 1944, according to official figures, amounted to 3,852,088 cubic meters, as compared with 3,948,412 cubic meters during 1943, or a decrease of 96,324 cubic meters. Of this total, 2,576,369 cubic meters were produced by the State oil fields and 1,275,719 cubic meters by private companies. Acute shortages of drilling and field equipment rendered the opening up of new fields extremely difficult.

Preliminary estimates place Argentine crude-petroleum imports during 1944 at 145,268 tons; fuel and Diesel oil at 318,000 tons; kerosene at 5,670 tons; and lubricants at 3,879 tons. Estimated imports of crude fuel and Diesel oil increased 9 percent over 1943 official import figures, but decreases of approximately 400 percent in kerosene and 9 percent in lubricants were registered. Moreover, the increase for fuel and Diesel oil did not materially improve the domestic supply situation, since the greater part of these products was imported under commitment to the railroads and several steamship lines.

The extreme drop in kerosene imports caused for private consumers one of the most severe wartime shortages in the Argentine. The decrease in the supply of lubricants was also greatly felt by the consuming public as a whole.

Deliveries for consumption of all petroleum products during the year are estimated at 23,100,000 barrels, a slight increase over the 22,700,000 barrels registered for 1943. The 1944 figure, however, is still well below the normal annual average of 30,000,000 barrels.

The severe restrictions in the availability of fuel oil have necessitated the use of such substitute fuels as maize, wheat, linseed, firewood, and charcoal. Fuel rationing began in 1942 and was extended drastically in March 1944 with private automobiles being limited to 140 liters per quarter. The quotas were graded upward through different categories of users to 1,100 liters per quarter for taxicabs in the Federal District. Black marketing was discouraged by the Government's decision to sell all motor gasoline in two colors; blue for automobiles and motorcycles and yellow for other motor vehicles. Penalties were provided for the improper sale and use of the colored gasoline and for mixing the two types.

Belgium's Oil Refineries Soon to Reach Capacity Production

Serious damage was suffered during the war by five of Belgium's oil refineries. However, repair work on these plants, which in prewar times were responsible for 10 percent of the country's total production of 20,000 tons, is going ahead rapidly, and it should not be long until they can be put back into service. Raw materials, nearly all of which are imported, are beginning to come in, and it is thought that the industry should soon reach capacity or near-capacity production.

Production of Crude and Refined Products, Bolivia

Production of crude petroleum in Bolivia during the first quarter of 1945 totaled 12,032,896 liters. Of this amount 6,516,327 liters were processed at the Camiri and Sanandita refineries, the total products being divided as follows: Gasoline, 3,352,340; fuel oil, 1,987,562 liters; Diesel oil, 526,680; and kerosene, 519,037 liters. The remaining 130,708 liters were set down as lost.

The delivery of gasoline and kerosene from the Camiri and Sanandita refineries to consuming centers is expected to be greatly facilitated by the arrival of 30 new trucks in Bolivia from the United States. The trucks are stated by the Bolivian press to be a part of the 100 ordered by the government.

Mexican Petroleum Industry

During 1944, operation of the petroleum industry of Mexico, practically all of which is in the hands of Petroleos Mexicanos, did not change materially from the preceding year. Production was several million barrels larger than in 1943, but exports continued to decrease, dropping about 12 percent under shipments in 1943. Although refinery and storage capacity somewhat increased, the movement of refined products to the interior and Pacific coast was subnormal.

Scarcities, especially in fuel oil and gasoline, caused by an insufficient number of tank cars for transportation purposes, continued and became even more serious as the year went on. As a result, many industrial firms were forced to suspend operations for varying periods of time until stocks could be replenished. The scarcity of automotive fuel was particularly serious along the main highways from Mexico City to Laredo, Guadalajara, and Acapulco, causing difficulties for public as well as private transportation.

Because of the proximity of the Atzcapotzalco refinery, which is supplied with crude oil by a 10-inch pipe line from Poza Rica oil field, the Federal District fared better than many other parts of the country. In September, however, the pipe line was seriously damaged by storms, and gasoline rationing became temporarily necessary.

According to a report issued by the general manager of Petroleos Mexicanos, 24 of the 37 wells drilled during the year were productive.

Construction activities continued on the new high-octane plant in Mexico City, but by the end of the year the foundations were still only partially completed. It is now thought that the plant will not be ready to be put into operation before the early part of 1946.

Efforts will be made by Petroleos Mexicanos during 1945 to step up production of refined products to 42,000,000 barrels and increase exports to approximately 6,500,000 barrels. Paraffin production is expected to be expanded to between 10,000 and 15,000 tons. At the same time work on the Poza Rica-Irapuato pipe line will be commenced, and it is expected that 71 new wells, 36 of which will be located in productive zones, will be drilled.

Imports into Nicaragua

Petroleum products valued at approximately $1,330,000 were imported into Nicaragua during the year 1944. Representing 11 percent of the total imports of the country, they consisted of lubricating oils (some vegetable oils were also included) valued at $700,000; gasoline, valued at $350,000; kerosene, $60,000 and candles, $220,000. Imports of gasoline decreased 38 percent, as compared with 1943 imports, but there was an increase of 12 percent in the importation of lubricating and fuel oils.

Rubber and Products

Rubber Situation in Argentina

Depleted stocks of crude rubber and the difficulty of importing additional supplies seriously limited tire and inner-tube production in Argentina during 1944. With only 72,000 tires and 46,800 inner tubes estimated as produced, it was necessary to draw on reserves to meet the 1944 consumption of 100,000 tires and 55,000 tubes.

The 1944 production came mostly from crude rubber, 760 tons of which were used. Imports during the first 10 months of the year amounted to 258 tons. The remainder had to be taken from stocks on hand.

Total stocks of tires and tubes as of the end of the year were said to be 35,000 and 20,000, respectively, but many of these are reported to be of very poor grade reclaimed rubber and serviceable only for emergency use.

Most of the reclaimed rubber—used in the amount of 5,400 tons during the year—went into the manufacture of rubber products other than tires or tubes. The rubber scrap is becoming poorer in quality as time goes on, however, necessitating the use of increasingly larger amounts of crude rubber before it can be utilized in manufactured articles.

Consumption of rubber products, such as belting, hose, and footwear, during 1944 amounted to approximately 1,500 tons, about 650 tons of which were imported.

Because the cultivation of rubber-bearing plants in Argentina has gone no farther than the experimental stage and the manufacture of synthetic rubber has not proved of commercial importance so far as tire manufacture is concerned, the Argentine Government in January took further measures to conserve existing tire stocks by limiting the use of rubber tires to vehicles servicing the public health or safety and to busses or trucks engaged in vital services.

Rubber Industry May Meet Domestic Demands, Belgium

Little damage was suffered by the rubber industry in Belgium as a result of the war. For the most part, the plants damaged were of secondary importance. Two medium-sized plants were seriously damaged and several other firms had equipment requisitioned, but, in general, production was not greatly impaired by military movements within the country. The volume of production in the future, therefore, will be conditioned almost solely by the availability of raw materials—rubber, textiles, and carbon black—which must be imported. If sufficient raw material is furnished, the industry should be able to satisfy approximately the whole of Belgium's normal requirements for manufactured rubber products.

Exports of Crude and Manufactured Rubber, U. K.

The total value of crude and manufactured rubber exported from the United Kingdom during 1944 amounted to £378,000, according to the foreign press. This was £71,000 more than the value of exports for the year 1943, but less than one-half the value of rubber exports in 1942, £824,000. Of the 1944 total, crude rubber exports were valued at £48,000 and exports of manufactured articles, £330,000.

Shipbuilding

New Ships for Brazil

The Brazilian shipping line, Lloyd Brasileiro, has announced plans to expand activities after the war through purchase of a number of modern well-equipped merchant ships, according to press reports from Rio de Janeiro. Four ships, each of 4,500 tons gross, are being constructed for the company in Canadian yards, and plans include the ordering of six more ships, each with a gross tonnage of 7,500 tons, from Canadian builders.

These new ships will be powered by high-pressure steam turbines and will embody all modern features of ventilation, safety, and comfort.

Lloyd Brasileiro intends to order 15 new ships in the United States as soon as orders can be accepted, it is said.

Cargo Ships Launched, Sweden

A cargo motorship, of all-welded construction was built recently by Kockums mek. Verkstad, Malmo, for the Angfartygs A/B Tirfing, Goteborg, according to a foreign publication. The vessel, named *Halland*, of the shelter-deck type, is 420 feet long, 58 feet wide, and 28 feet in depth to main deck. It carries 9,225 tons on a draft of 25 feet, 2¾ inches.

The ore-carrying motorship, *Kvikkjokk*, 6,000 tons deadweight, which was recently launched, was constructed by Gotaverken, Goteborg, for the Trafic A/B. Grangesberg-Oxelosund, Stockholm. The ship is 382 feet long over-all, 50 feet in breadth, and 32 feet 6 inches in depth, and the mean draft on summer freeboard is 22 feet 6 inches. It has welded corrugated transverse bulkheads and a speed of 12½ knots.

Another ship recently launched is the twin-screw motor-cargo liner *Panama*, 7,500 tons deadweight, also built by Gotaverken, Goteborg, for the Rederi A/B Nordstjernan (Johnson Line), Stockholm. The ship is 445 feet long over-all 56 feet 6 inches in breadth, and 37 feet 3 inches in depth to shelter deck, and has a mean draft on summer freeboard of 26 feet 1⅞ inches. The hull plating, decks, watertight bulkheads, and double bottom are all-welded. It is designed for a speed of 16¾ knots. The keel of another ship for the same company was laid as soon as the *Panama's* berth was vacated.

Ships Constructed, U. K.

At the shipyards along the northeast coast of England, 439 vessels were built during the 5-year period, September 1939 to September 1944, according to a British publication. Of the total, 240 ships (1,500,058 tons) were constructed at the Wear yards 74 ships (535,908 tons) at Tyne; 74 vessels (347,141 tons) at Hartlepool; and 51 ships (249,905 tons) at the Tees. A new yard was opened at Southwick in 1943.

Plans for Light-Draft Vessels, Uruguay

Metalúrgica y Diques Flotantes, S. A., one of the most important industrial concerns in Uruguay, intends to develop a section for the building of small and shallow-draft boats particularly adaptable for the River Plate region, according to information from Montevideo.

The 1945 program includes the following items: three light-draft freighters for local traffic on the Uruguay and Negro Rivers; one light-draft cargo freighter for transportation of merchandise in Mirim Lake; one lighter for unloading cargo at Montevideo harbor; three lighters for use at Mirim Lake; two light-draft tankers for transportation of crude oil from Salinas, Bolivia, to Uruguay; one light-draft barge to carry fuel in barrels between Mercedes and Paysandu; four fishing boats for use in the River Plate; one high-sea trawler for use in the River Plate and the Atlantic Ocean; one coastwise trawler for fishing activities in the River Plate; two tug boats for towage of tanker barges; one tug boat for towage of harbor lighters; four passenger launches for transfer of passengers and goods at the Negro River; two ferryboats for the Negro River; and one cargo boat for use as an Atlantic-coastwise and River Plate freighter.

Textiles and Related Products

Cuba's Foreign Trade

During November 1944, Cuba imported 280 metric tons of cotton yarn (valued at $522,000), 281 tons of cotton textiles ($528,000), 197 tons of cotton sacking ($207,000), 2,817 tons of jute sacks ($690,000), 1,050 tons of raw cotton ($345,000), 3 tons of plain lace ($63,000), and 336 tons of rayon textiles ($1,149,000). Among the exports were 679 tons of sisal rope ($256,000).

Yarn Manufacture in Estonia

About 20,000 spindles were expected to go into operation at the restored Krenholm textile plant in Estonia sometime during the first quarter of this year, according to the Soviet press. Before the war approximately 6,500,000 meters of yarn were manufactured yearly at that plant. At the Baltic plant in Tallinn, Estonia, the manufacture of yarn was begun toward the close of 1944 in a former warehouse. A cloth factory has begun operations in Sindi.

Many Parachutes Made in India

Both cotton and silk parachutes are being made in India in large numbers, according to a British publication. Parachutes to drop supplies of food, ammunition, and medicines are made of a very thin but strong cotton cloth domestically woven from long-staple Egyptian cotton. Parachutes for airmen and troops are made of silk, much of which is produced in India. Additional quantities are received from China in exchange for cotton.

The impetus given to the silk industry of India is indicated by the estimated production of 600,000 pounds of raw silk during 1944, in Kashmir, Mysore, Bengal, and Madras. A factory has been erected in Kollegal, Madras, capable of producing 150,000 pounds of reeled silk annually.

Cotton and Products

Sao Paulo's Cotton Crop, Brazil

Picking of Sao Paulo's 1944-45 cotton crop was begun in March. No official estimates have as yet been released on the crop, but it is expected to be inferior in both quality and quantity to that of the preceding year. Trade estimates are as low as 350,000 metric tons. During the month, 127 metric tons were classified in the Sao Paulo Cotton Exchange.

From May 1, 1944, to February 28, 1945, Parana cotton classified in Sao Paulo amounted to 6,857 tons.

Situation in Canadian Industry

Imports of raw cotton into Canada aggregated 14,108,116 pounds during February 1945 (11,702,078 pounds in February 1944). Imports of cotton yarns totaled 367,885 pounds (715,492); and cotton cloth, 3,947,364 pounds (3,825,409). Exports of cotton cloth aggregated 1,392,561 yards (396,351).

As of January 31, 1945, cotton mills had 1,157,220 ring and 16,128 mule

spindles in place (1,162,065 and 16,128). Spindles in operation on rayon staple fiber numbered 46,481 (42,725).

During April, the supply position of both cotton yarn and fabrics was reported to be worse than at any time since the beginning of the war. Domestic mills could increase their production very little because of the shortage of experienced workers. Imports of British cotton goods declined during 1944 to approximately 50 percent of the 1939 level. Consequently, a huge backlog of consumer demand was piling up and should insure a high rate of consumption for several years following the cessation of hostilities.

Cotton Output and Exports, Iraq

The Iraqi Department of Agriculture estimated that in 1944 1,080 metric tons of lint cotton were produced, as compared with 643 tons in the preceding year. These totals are far below the 1940 production of 4,692 tons and are the result of diversion of efforts to growing more cereals.

During the first 11 months of 1944 cotton exports from Iraq totaled 626 metric tons.

Cotton Industry, Nicaragua

For the 1944–45 season, 4,400 acres of cotton were planted through loans by the National Bank of Nicaragua. The crop is estimated at 1,254,000 pounds, representing a lower yield per acre than during the preceding year. The 1945–46 acreage is expected to increase because of the higher domestic consumption.

Production of cotton yarn and drill was begun by the new mill which is expected to be in full operation by the end of June.

Wool and Products

Conditions in Argentine Market

Exports of wool from Argentina during January amounted to 7,178 bales compared with 19,962 bales in December 1944 and 26,535 bales in January 1944. February 1945 exports totaled 5,228 bales as compared with 9,532 bales in February 1944.

Commercial stocks of wool on February 1, 1945, amounted to the equivalent of 174,942 metric tons on a grease basis, according to the Bureau of Wools report of March 9, 1945. Stock figures include wools which are being held in Argentina until conditions permit their being shipped to French and Belgian importers.

Change-Over From Service to Civilian Production, U. K.

During the first week of April the British Wool Control advised wool manufacturers that arrangements must be considered for securing, with minimum dislocation, change-over from service to civilian production. Urgency for maximum production for service requirements had not diminished, it was explained, but it was necessary to minimize, insofar as possible, accumulation of Government surpluses and to increase production for civil use and export at the earliest practicable moment.

Manufacturers were asked to submit within the following 2 weeks detailed information concerning (1) the proportion of material, dyed and undyed, in wool, noils, worsted waste, woolen waste, cotton waste, and worsted yarn being used in existing service contracts which could be diverted to civilian manufacture; (2) the utility cloth specification numbers in which manufacturers would wish to use materials specified in (1); (3) the number of looms on civilian and export production; (4) the number of weeks for which all unused civilian and export rations would provide employment for looms stated under (3); (5) the number of looms on Government work (excluding public bodies, such as railways, and crown colonies); (6) the number of weeks for which all unused civilian and export rations would provide employment for all the looms stated under (3) and (5); (7) the number of weeks for which all unused civilian and export rations, together with the materials stated in (1), would provide employment for the total looms stated under (3) and (5).

The National Wool Textile Export Corporation was directed by the Board of Trade to organize through normal channels the export of a supply of Government-owned surplus wool cloth. Markets to which the cloth may be sold include Egypt, Cyprus, Palestine, Sudan, Trans-Jordan, Iraq, Syria, Iran, and India. Allocations will be made to exporters in proportion to the size of their exports to the markets concerned in the basic year for the market-allocation scheme—November 1940 to October 1941.

Montevideo Wool Market, Uruguay

March deliveries of wool to the Montevideo market from the interior of Uruguay amounted to 2,080,580 kilograms to which must be added 1,555,400 kilograms delivered by cart and truck during February but not previously recorded, bringing the total for the season to 58,157,975 kilograms, as compared with 53,224,912 kilograms for the corresponding period of the preceding season.

The market was active during March with several price increases noted. Practically all super wools of the current season's clip had been sold, it was reported.

Exports of wool from Montevideo between October 1, 1944, and March 31, 1945, amounted to 96,823 bales (approximately 483 pounds each).

Tobacco and Related Products

Production and Marketing, Rio Grande do Sul, Brazil

The 1945 crop of tobacco in the State of Rio Grande do Sul, Brazil, is not expected to equal that of 1944 because of the prevailing dry weather. The 1944 flue-cured crop amounted to 140,000 fardos or bales (165 pounds to the bale), whereas the 1945 crop planted in September and October 1944 in a larger area is expected to yield only 100,000 fardos. The air-cured tobacco may reach only 100,000 to 120,000 bales, compared with the 1944 crop of 220,000 bales. Thus, the over-all tobacco crop for 1945 was estimated in February at approximately 40 percent under that of 1944 unless rains should come before the end of the growing season for the air-cured portion of the crop.

Rio Grande do Sul produces 90 percent of Brazil's flue-cured tobacco. Flue-cured production in this State during the period 1938–44 averaged 7,230 metric tons annually from an average of 5,100 hectares. During the same period air-cured production averaged 18,000 metric tons from an average area of 9,000 hectares. There is an upward trend, however, in consumption of the flue-cured over air-cured.

Flue-cured production is centered around Santa Cruz in the east-central part of the State but several flue-curing barns have been built in the territory near the Uruguay River in the northwestern part and flue-cured may gradually replace air-cured in that area. The air-cured tobacco area is also located at Santa Cruz and to the north of Santo Angelo in the northwestern part of the State. The area adapted to tobacco in the State is limited.

In Rio Grande do Sul, flue-cured-tobacco production and marketing policies are virtually controlled by one concern which finances the curing barns, equipment, seed, and fertilizer. Flue-cured tobacco produced in the State is similar in color but not in quality to the United States flue-cured cigarette type. In 1944 only 8 to 12 percent of the flue-cured crop was of the bright grades, compared with a normal 40 percent. Prices for Brazilian flue-cured are approximately one-third as much as for the United States product. Prices to the producer per arroba of 15 kilograms for the 10 grades of flue-cured ranged from 87 cruzeiros for the A grade to 22 cruzeiros for the V grade in 1942–43, and from 145 to 40 cruzeiros in 1944–45. The average price for the 1944–45 crop per arroba baled and ready for sale at the warehouse ranged from 175 cruzeiros for the A grade to 70 cruzeiros for the V grade.

Air-cured prices in 1942–43 ranged from 40 to 17 cruzeiros in the seven grades and from 45 to 22 cruzeiros in 1943–44. The air-cured prices for 1944–45 were not available.

Exports of leaf were small until 1944 when 526 toneladas were exported. Spain is estimated to have taken about 42,000 bales of low-grade flue-cured and high- or medium-grade air-cured early in 1945, and Uruguay is expected to import approximately 17,000 bales, four times the usual amount from this State.

There is less than usual flue-cured tobacco available for domestic-cigarette manufacture because more is being exported to foreign countries as replacement for the air-cured variety usually exported. Consequently, stocks are expected to be depleted by 60 percent or more. The flue-cured industry has recently obtained, however, a restriction of exports.

(Continued on p. 41)

Markets Abroad for American Insecticides

(Continued from p. 11)

to nearly $6,500,000 was significant, but even more so was the fact that the United States supplied 81 percent of the total. During 1937–40 there were nine republics whose total imports averaged at least $169,000 none of which imported less than $126,000 worth from the United States alone, although the percentage from this country was low in certain instances.

In 1941, each of these nine republics—plus one other—imported at least $200,000 worth of insecticides, and the minimum from the United States rose to $199,000. Still another republic, for which import data are lacking, falls within this class on the basis of United States exports (table 5). The details pertaining to each of these countries are next presented.

TABLE 5.—*United States Exports of Insecticides to the American Republics, 1937–40 Average, 1941, 1943*

Country	1937–40 average	1941	1943
Argentina	$263,327	$342,842	$143,815
Bolivia	15,599	10,959	23,682
Brazil	138,749	761,298	286,766
Chile	44,177	55,500	63,649
Colombia	178,870	315,500	153,988
Costa Rica	105,973	365,169	263,919
Cuba	126,122	233,557	219,553
Dominican Republic	12,371	11,670	27,215
Ecuador	11,019	13,936	8,368
Guatemala	333,233	895,028	407,380
Haiti	12,151	22,548	102,605
Honduras	633,560	674,491	907,212
Mexico	259,120	393,410	771,322
Nicaragua	9,110	22,479	21,045
Panama, Republic of	63,413	207,322	131,122
Paraguay	2,702	277	1,789
Peru	208,240	315,795	318,956
El Salvador	11,445	14,822	29,088
Uruguay	15,526	28,307	52,982
Venezuela	179,236	222,867	226,082
Total	2,623,943	4,907,777	4,160,538

ARGENTINA

Copper sulfate and white arsenic are the principal individual insecticide items imported. Belgium and the United Kingdom furnished most of the prewar copper sulfate, and, since the war began, the United Kingdom has supplied more than before. A sizable market in tick-killers also has been controlled practically by British trade. White arsenic, formerly obtained from Sweden and Belgium, has since come largely from Mexico. Japan figured as a supplier of insecticides in stick form. Only in the general categories of insecticides in powder form and in extract, liquid, and paste form, have imports from the United States led the field. In their best years, these products reached a combined import total value of $293,000, a substantial figure which holds promise for heavy participation in fulfilling Argentina's needs when trade becomes unrestricted. The United States export record shows household insecticides to be the leading item, exports of which amounted to $17,000 in 1939.

BRAZIL

Brazil's principal import interest has been in lead arsenate, which is the paramount cotton insecticide in that country. The commodity made history in 1941 when Brazilian imports soared to the high figure of $733,000, of which the United States supplied 95 percent. The large tonnage of that year undoubtedly meant much stockpiling, and has not been repeated. White arsenic also ranks high as an import item, largely for conversion to lead arsenate. Brazil produces arsenic but has not yet reached self-sufficiency with respect to its lead-arsenate needs. Pending such a time, it will rely on the United States for lead arsenate, and probably on prewar European suppliers for arsenic. Copper sulfate is another major item, but trade in it has traditionally been divided between Great Britain and Belgium. A strong interest has been manifest in paris green since 1939, practically all of which is supplied by the United States. In the category of miscellaneous insecticides, which runs into substantial volume, Germany and Great Britain regularly outsold the United States, but this country has progressed during the war. The disinfectant market has been largely a British and German affair, with United States participation almost negligible. The opportunities in this direction bear looking into, inasmuch as the 1937 imports amounted to $110,000 and the postwar potential for this class of material is much greater, probably double.

COLOMBIA

Imports of insecticides into Colombia attained a high level largely through products designated as "insecticides and fungicides with phenol or formaldehyde base." This classification accounted for nearly 70 percent of all insecticides imported during 1937–40, and 52 percent in 1941. Colombian statistics record the United States as the principal supplier, with Germany and the United Kingdom as other important sources. From United States export records, it appears that household insecticides are the group best fitting the above description. United States exports of such products to Colombia reached $70,000 in 1940 and $84,000 in 1941, revealing that household products rank well up in the list of insecticides in the Colombian market.

Disinfectants comprise another major Colombian import item, in which the United States is again the dominant figure. Germany also had a fair share of this business in the late thirties. Copper-sulfate imports increased sharply in 1940 and went still higher in 1941, to $174,000, in line with an extensive banana-development program. All but a fraction of this chemical came from the United States whose exports since then have declined but still remain sizable. Calcium arsenate has figured with some prominence in certain years, our exports reaching $47,000 in 1938, and $36,000 in 1943. Both cotton and potatoes require arsenical protection.

COSTA RICA

Costa Rican imports of insecticides did not reach the $100,000 level until 1940, when arrivals amounted to $165,000. In 1941, there was an increase to $425,000, and the next year a decline to $328,000. In the main import commodity—copper sulfate (for controlling sigatoka disease of bananas)—the United States has the field to itself. During the years 1939–43 copper sulfate exports to Costa Rica ranged from $99,000 to $347,000. No other item approached that degree of importance, the nearest approach being household insecticides with peak exports of slightly under $10,000. The copper-sulfate market undoubtedly will remain strong, inasmuch as Costa Rica is primarily a banana country. Any improvement in the general economic status of the country should result in a greatly expanded demand for household insecticides and disinfectants of all kinds.

CUBA

Insecticide imports into Cuba were fairly evenly maintained from 1937 to 1940, and well over 90 percent of the total originated in the United States. Practically all of the $200,000 worth imported in 1941 came from this country. Household insecticides are the principal category. There is no outstanding agricultural insecticide, although copper sulfate took on a position of importance in certain years. The arsenicals—exemplified by lead arsenate and paris green—and nicotine, also figure in export trade with Cuba. The market in household disinfectants has been moderate but consistent, with exports from the United States averaging $18,000 during 1937–43. This trade undoubtedly can develop to a substantially higher level.

GUATEMALA

The insecticide situation in Guatemala can be reviewed almost entirely with reference to copper sulfate. Second only to Honduras as a consumer of copper sulfate, Guatemala outranked that country in 1941, with imports amounting to $903,000. The United States formerly had to share the market with Germany and Belgium, but beginning with 1939 all competition vanished. The importance of the banana industry to Guatemala guarantees a continued demand for copper sulfate, which has been a heavy import item since 1936. Guatemala also has imported various insecticide products in basket categories. The amounts, though small, indicate an interest that could be further exploited as agriculture progresses.

HONDURAS

The import situation in Honduras closely parallels that pertaining to Guatemala—copper sulfate dominates the whole picture, and the United States has had the trade to itself since 1940, formerly having shared a minor part with Germany and Belgium. In 1940 England replaced the other European suppliers, but has since dropped out. Honduras first appeared as a heavy consumer of copper sulfate after 1935, when the sigatoka disease began seriously to menace the banana crop. Honduras was the best customer of the United States during 1937–43 except for 1941 when it was outranked by Guatemala. As long

as no other material can be found to match the effectiveness of copper sulfate, a heavy export trade with Honduras is assured. Small shipments of household insecticides also have gone to Honduras, a field that can be built up to several times its former size as the general economy of the country advances.

Mexico

Mexico has drawn on the United States for most of its insecticide imports. Copper sulfate and calcium arsenate are the principal items. The United States has supplied practically all imports of these two commodities since 1937; in that year, however, nearly half of the calcium arsenate came from Japan. Shipments of this commodity to Mexico from the United States have been very irregular, dropping from $111,000 in 1937 to $4,000 the next year and up to $140,000 in 1942. The varying degree of cotton infestation explains the irregular trend. United States exports to Mexico rose in 1943 to $161,000, but early in 1944 the Mexican Government placed an embargo on further imports of calcium arsenate. This action, taken in furtherance of domestic production, was followed early in 1945 by the levy of a duty of 4 cents per kilogram on what had been duty-free material.

Mexico has regularly imported a fair amount of liquid pyrethrum insecticides. Practically all imports of this description originated in the United States, and the peak occurred in 1941—reaching a total of $86,000. The records of both countries show that Mexico is interested in a wide variety of agricultural and household products. These products cover every category of insecticide export classifications. In addition to the commodities mentioned, the more important individual items are lead arsenate, nicotine sulfate, and pyrethrum extract. In view of the widening industrial progress below the Rio Grande, the Mexican postwar market for all insecticides, with the exception of arsenicals, appears bright.

Panama

Panama enters the class of major insecticide-importing countries because of its demand for copper sulfate. Up to 1940 the Panamanian market could be dismissed as insignificant; imports in 1939 amounted to only $24,000. But during the 4 years, 1940–43, copper-sulfate exports from this country to Panama averaged $177,000. More-recent demand appears to exceed that figure, and the United States has the market to itself. Household insecticides also represent a field of import interest—small at present, but capable of development.

Peru

The principal insecticide import into Peru is calcium arsenate, which is required as a cotton protective. Peru has been the best customer of the United States for this commodity, except when occasionally outranked by Mexico. There has been little competition from other countries, although at times Japan, Germany, and the United Kingdom supplied small amounts. Almost 5,000,000 pounds of calcium arsenate ($211,000) were exported in a single year from the United States to Peru. A mixture of sulfur and calcium arsenate, as well as other special mixtures containing the latter, also have been exported in large volume. The fact that Peru consumes a large volume of arsenical insecticides and produces, from copper operations, substantial quantities of white arsenic, the basic raw material, has directed thought toward local manufacture. The latest available information, however, indicates that such action on any significant scale has not yet taken place.

Copper sulfate is another agricultural item that the United States has exported to Peru, but at a much lower level than the arsenicals. The best recent year came to $42,000. Household products also have some importance in this market.

Venezuela

Venezuelan import records do not segregate insecticides by type sufficiently well to permit an adequate analysis of the market. According to United States export statistics, however, Venezuela runs counter to most of the countries under review, in that the market for household insecticides far outweights the demand for agricultural items of this type. The reason for this reversal from the usual situation is that the country has been concerned largely with petroleum, not agriculture, and the major demand for household insecticides and disinfectants reflects the nonagricultural economy of that country. The value of United States exports of household insecticides to that country has reached as high as $200,000, and of disinfectants, $30,000 in recent years.

The Venezuelan Government has sought to stimulate agricultural output, and this effort is bringing about some demand for arsenicals, especially for calcium arsenate, used to kill cotton pests. In 1943, $66,000 worth of this commodity was shipped to Venezuela, as well as a smaller, but record, amount of lead arsenate ($13.000). White arsenic also is in demand for cattle dip. In general, prospects for increased imports of agricultural insecticides appear favorable, especially since the Ministry of Agriculture plays an important part in their distribution. Although European countries and Japan have participated extensively in supplying the various insecticides, the United States has led the way and very likely will be in a position to maintain its dominance.

Markets Outside American Republics

In view of the large international movement in insecticides, other than to the American republics, it is appropriate to examine the position of the United States with relation to the trade of these other countries. As seen in table 6, four countries passed the $1,000,000 mark in imports of insecticides in 1937, and one—France—reached almost $2,500,000.

Of particular interest is the fact that Canada drew on the United States for more than half of its insecticide imports, and the United Kingdom for nearly half of its imports.

The principal import trade into Canada and European countries centers around one commodity—copper sulfate. The extraordinary effectiveness, the availability, low price, absence of a comparable substitute, and indispensability in protecting large acreages of important crops, combine to create a heavy demand for this outstanding fungicide. Based on prewar usage, Italy and France are by far the world's largest consumers. Italy is self-sufficient, but France must import heavily. The United Kingdom has ranked as the world's leading exporter of copper sulfate, followed by Belgium. It is only since about 1937 that the United States figured to any large degree in the world trade of this chemical. Maximum exports of this country—70,000,000 pounds in 1942—are still less than the United Kingdom's annual average of 90,000,000 pounds for the decade, 1927–36. It appears likely that the markets for copper sulfate now developed in this hemisphere will outlast the war, and European markets probably will be reserved to sources in that area.

TABLE 6.—*Imports of Insecticides Into Selected Countries, 1937*

Country	Value ($1,000)	Principal imports	Principal sources	Percentage of total imports from United States
Canada	1,209	Copper sulfate, Other agriculture, Household	United States, United Kingdom	52
Europe:				
Belgium	344	Javel water	France	(1)
Bulgaria	947	Copper sulfate	Italy, Germany	0
Eire	489	do	United Kingdom	6
France	2,470	do	United Kingdom, Belgium	(1)
Greece	765	do	United Kingdom, Italy, Germany	(1)
Netherlands	301	do	Belgium	5
Spain (1941)	317	do	United Kingdom, Germany	13
United Kingdom	486	Arsenic, miscellaneous	Sweden, United States	45
Other:				
Algeria	1,109	Copper sulfate	France	13
Australia	424	Nicotine sulfate	United Kingdom, United States	28
India	342	Copper sulfate, household	do	14
Kenya and Uganda	242	Miscellaneous	United Kingdom	
Netherlands Indies	468	Household, lead arsenate	Japan	01
New Zealand	795	Sheep dip	United Kingdom	11
Turkey	243	Household	Germany	32
Union of South Africa	1,021	Miscellaneous	United Kingdom	22

[1] Negligible.

Some of the countries listed in table 6 have traditionally gone to other sources of supply, and there is not likely to be any pronounced shift away, at least in the near future. Table 6 reveals, however, that several countries, some in distant parts of the world obtain a significant percentage of their insecticide imports from the United States.

United Kingdom

The largest volume of insecticide imports into the United Kingdom comes under the broad classification of "disinfectants, insecticides, weed killers." In 1937, this category accounted for one-half of the total insecticide imports, and 90 percent came from the United States. Another large import item is white arsenic, used in the compounding of animal dips, manufacture of arsenates, and in glass manufacture. The United States, however, supplied only a moderate quantity of this material during 1937–39, the bulk of it having originated in Sweden and Belgium. The expectation is for the resumption of arsenic supplies from these countries when shipping becomes normal. Some nicotine sulfate has been imported into the United Kingdom, to the value of $41,000 in 1937. The United States has had little part in this trade up to and including 1941.

Household insecticides comprise the major share of this class of exports from the United States to the United Kingdom. They undoubtedly will continue as important trade items to that country, and their export volume should expand as new or improved types are developed.

Canada

Canadian import records ascribe the largest volume of trade in insecticides to a basket classification covering a wide range of products. United States statistics show also that exports in basket classifications account for the major part of insecticide shipments to Canada. These products can be described as miscellaneous agricultural and household insecticides and disinfectants. The United States supplied the bulk of Canadian imports of these commodities, the only other source of any consequence being the United Kingdom.

The copper-sulfate market is largely in the possession of the United Kingdom, with some participation by the United States and Belgium. Imports were valued at $238,000 in 1937. In a recently established import classification described as "copper sulfate for fumigating, dipping, or spraying," the United States has outranked even the United Kingdom as supplier. This classification, obviously not intended to represent ordinary copper sulfate, possibly refers to the monohydrate of copper sulfate, a special type for dusting plants.

Canada consumes a fair amount of nicotine sulfate, chiefly of United States origin, but partly from the United Kingdom and Russia; exports from the United States reached a peak of $183,000 in 1943. Seed disinfectants are another large United States export item to Canada, $150,000 worth being shipped in a recent year.

Some arsenical insecticides are shipped into Canada in moderate volume, lead arsenate and paris green chiefly from the United Kingdom but calcium arsenate almost entirely from the United States. Under the classification embracing various fumigants imports were valued at $61,000 in 1942, all of which were of United States origin.

The United States insecticide trade with Canada represents a particularly bright spot in foreign markets, both because of the aggregate volume and the diversification of products. Prospects for still larger trade movements between the two countries are of the best. Relations with Canada receive the benefits of geographic proximity, evidenced in part by the attendance of Canadians at insecticide trade-association meetings in this country.

Australia

Although Australia obtained only 23 percent of its insecticide imports from the United States in 1937, the share of this country reached 39 percent in 1941 and amounted to $218,000. The leading item shipped to Australia is nicotine sulfate, required for agriculture and the cattle-raising industry. Several other countries also supply this product but are outranked by the United States. This country also has had a little of the lead-arsenate business, but most of this belongs to the United Kingdom. Some white arsenic is imported by Australia, the principal suppliers being Sweden and the United States. Under the import classification of "insecticides, disinfectants, and veterinary washes and dips, carbolic acid," the United States supplied the major share of a recent 2-year total amounting to $122,000. This situation did not prevail for a similar cresylic-acid classification, as practically all of this commodity came from the United Kingdom. The United States also supplies a fair amount of miscellaneous agricultural insecticides, as well as petroleum-oil sprays.

New Zealand

The New Zealand market for insecticides is exceptionally large, considering the size and population of the country, because of the extensive cattle-raising industry. The principal insecticide item is listed as "sheep dip." In 1937 the value of this classification alone reached $488,000—more than one-half of the total insecticide imports. Agricultural insecticides and fungicides, and disinfectants (including weed killers), comprise other important products.

The United Kingdom has all but a fraction of the business in sheep dip, as well as the lion's share of the remainder. The United States does, however, outrank many other suppliers of agricultural products, such as lead arsenate, with the United Kingdom a close second. Australia and Canada also figure with some prominence in this trade.

United States statistics show that nicotine sulfate is the leading export item to New Zealand, followed by lead arsenate and petroleum-oil sprays. In 1941 our total shipments were valued at $92,000, of which nicotine sulfate accounted for 60 percent.

India

Indian import classification of insecticides are given under three categories—disinfectants, copper sulfate, and arsenic and its oxides. Disinfectants, the principal category from the standpoint of import values, normally accounts for about one-half of the total, having amounted to $182,000 in 1937. The United Kingdom and the United States are the leading suppliers. The copper-sulphate trade is pretty well dominated by the United Kingdom, and there is some participation by Belgium and Italy. The United States has no part in this trade nor in arsenic imports during 1937–39.

Household products are the principal class of insecticide exports being sent to India from the United States. During the period 1937–41 our exports of household insecticides to India were valued at $125,000 in the best year, and $89,000 was the lowest figure in any of the years. This field unquestionably offers real opportunities to the United States exporter. The population of India is large, the need is great, and the market has been only scratched thus far. Much goodwill has already been built up in favor of United States brands.

Turkey

Insecticide imports into Turkey are broken down into various categories, most significant of which is the basket classification, "preparations of all kinds for destroying rats, fleas, and similar vermin." In 1937, imports under this classification accounted for 92 percent of all insecticides. That there is a definite preference for United States products is shown by the way this country's share of this category steadily advanced during 1937–39, while the German share simultaneously retrograded; by 1939 the United States was supplying two-thirds of the group, whereas Germany had slumped to one-fourth of its 1937 figure. Germany's slump no doubt can be attributed to internal conditions, but the fact remains that the United States, and no other country, acquired the market.

Turkish interest in copper sulfate increased sharply in 1938, with imports exceeding the $100,000 mark. The United Kingdom and the United States shared the business that year on practically an equal basis. The following year the market fell to Italy, and subsequently to the United Kingdom. The post-war situation on this commodity cannot be clearly predicted, but it now appears that this market will remain in European hands.

The Turkish market for household insecticides presents a real opportunity to United States exporters, in view of the known heavy demand. This market will have to be rebuilt, however, as it vanished in 1941. In 1937, insecticide exports from this country to Turkey totaled $141,000.

Union of South Africa

The Union of South Africa is an important insecticide-importing country. Imports of these products exceeded $1,-

000,000 in 1937, and, despite the upsetting influences of the war, dipped only moderately in the 2 succeeding years. The use of agricultural insecticides has been well developed in South Africa for many years. The largest category of imports is a basket classification relating to substances for the destruction of agricultural pests, and approximately half of the insecticide imports come under that single classification.

The United Kingdom has the bulk of the trade. Germany has had a fair share, but less than that of the United States. The United Kingdom supplies most of the products coming in as disinfectants and germicides, also sodium arsenite, and animal dips. However, in the classification of liquid substances for destroying agricultral pests the United States has practically the entire field.

Insecticide exports from the United States to the Union of South Africa have risen markedly during recent years—the value increasing from $141,000 in 1937 to $445,000 in 1941. The principal products exported have been miscellaneous agricultural materials, the value amounting to $289,000 in 1941. Moderate amounts of nicotine sulfate, lead arsenate, and petroleum-oil sprays, as well as household insecticides figured in this trade. The consuming market in the Union of South Africa has shown every sign of maintaining a high level, and substantial United States participation in it appears assured.

Conclusion

An attempt has been made to point out in this article the size of the world market in insecticides, the principal importing nations, what share of trade the United States has had, what the general outlook is for international movement of insecticides, and what opportunities lie ahead for the United States exporter.

The facts presented make up an insecticide export map to chart the course of those who travel it. Much more than this background is required for intelligent operations, as the mechinism of export is a study in itself. The Department of Commerce specializes in this field and is prepared to furnish the prospective, as well as the established, exporter with the various services that it has developed to accomplish its statutory mission of promoting foreign and domestic trade.

Going into export trade obviously is a large undertaking. No time should be lost in laying the groundwork and planning ahead as far as possible. The United States is in an advantageous position to supply the world's needs in insecticides and to compete with other producing nations. To prosecute export trade, however, will require knowledge, vigor, and persistence.

The Government of the Union of South Africa is reported to believe that the Union's mercantile fleet should be strengthened to lessen dependence upon oversea shipping services under other flags. The Government is trying to evolve types of vessels to meet its needs, and specifications are being prepared.

Turkey: Economic Trends in the Year of War's Crisis

(Continued from p. 13)

the available price-index data, which cover only the first 9 months of the year.

The retail cost-of-living index showed the following changes: For Istanbul it was 346 (1938=100) in September (high for 1944) as compared with an average of 347.3 for 1943 and a high in the latter year of 370.5 (April). For Ankara the retail index stood at 330.1 (1938=100) in September as contrasted with a high of 331.1 in April and an average for 1943 of 322. With a view to stricter official supervision over prices, a profit-control law was decreed in April 1944, and this measure is believed to have been partly effective in checking the general advance in prices.

Industrial Operations Vary

Turkish industrial activity in 1944 followed the same general wartime pattern as in the preceding year. When sufficient raw materials were obtainable, as was the case for many lines of textile products and the cement industry, output remained at a high level, but in other manufacturing branches, such as paper, chemicals, and iron and steel, which were dependent on imports for a good part of their requirements, production was generally restricted. Inadequate electric power in certain localities also tended to limit output of some plants. The strain on domestic facilities was increased in the latter part of the year by the suspension of trade with Germany, which had supplied an important share of Turkey's requirements of essential manufactured products. As in 1943, the major proportion of local manufacturing output was reserved for the defense agencies, thus affording no relief in the short supplies available for civilian purposes.

Progress continued to be made by Turkey in the expansion of manufacturing facilities, although their utilization was handicapped by inadequate raw materials. Another plant for the production of paper was completed, increasing annual potential capacity from 10,500 to 25,500 metric tons. A sulfuric-acid plant went into operation at Karabuk, and a superphosphate plant was built, but irregular arrivals of raw materials hampered operation of the latter. Experimental operation was begun in December 1944 at the newly completed chlorine plant at Izmit, while the textile-manufacturing facilities were augmented by the installation of additional equipment.

Construction Limited

Public-works construction continued to be limited to projects of a strategic nature, while private activity was negligible. Not only was there a shortage of imported supplies for public works, but the local output of cement was even insufficient for domestic needs and had to be supplemented by purchases from abroad.

Mining Active

Production of most minerals remained at a high level in Turkey in 1944. Stimulated by increased demands from the State Railways and industry, bituminous coal output reached a record of 3,530,000 metric tons as compared with 3,162,605 in 1943, and a new high of 760,000 tons (588,706 in 1943) was also reported for lignite. Effective distribution, however, continued to be hampered by inadequate transport facilities, resulting in coal shortages in a number of areas during the latter part of the year.

The trends in other leading minerals varied: Chromite production dropped to 150,000 metric tons from 196,836; iron ore, which was sufficient for domestic needs, totaled 90,000 tons as compared with 91,751 in 1943; copper production, consisting of 14,000 tons of blister copper of 98.5 percent purity and 2,000 tons of refined of 99.5 percent purity, exceeded 1943 output; while domestic yields of sulfur (2,600 tons of 70 percent sulfur, and 650 tons of refined sulfur) apparently covered local requirements.

Railway Traffic Increases

Railway traffic in 1944 exceeded the record levels of the preceding year. This fact was attributed partly to the curtailment in the latter part of the year of coastwise shipping, a major form of transport in Turkey, following the severance of diplomatic and commercial relations with Germany. Lack of adequate equipment continued to hamper railway operations, and this scarcity was only partly relieved during the year by the arrival of some freight cars and engines from Europe, including cars from Germany for the handling of minerals.

Moderate progress was reported in the construction of railway lines, the total mileage at the end of September amounting to 4,701 miles, a gain of 43.6 miles as compared with the close of 1943. This work is financed largely by internal loans.

Shipping Restricted

Coastwise shipping during the first half of 1944 was heavy, but a considerable decline occurred after August, when service was sharply restricted as a precautionary measure. Activity at the southern ports of Iskenderun and Mersin, which are used primarily by United Nations vessels, remained at a high level.

Motor-traffic development received increased attention during the year, largely because of its strategic value, although it remains a minor form of transport in Turkey. Despite the shortage of equipment and supplies, some road construction was reported.

Airplane service continued to expand during 1944, with substantial gains in number of passengers and volume of freight carried, although a decline occurred in quantity of mail transported.

Note Circulation, Metal Cover

Note circulation in 1944 registered a considerable increase, advancing by

£T157,455,400 (£T=77 cents) as compared with a rise of £T68,166,000 for the preceding year, the amount outstanding on December 30, 1944, totaling £T963,981,400 against £T806,526,000 on January 8, 1944. The gold cover also rose substantially, the respective figures being £T276,382,000, or 28.7 percent of note circulation, in December, and £T201,697,600, or 25 percent, in January, compared with £T143,070,093, or 19.5 percent, at the end of 1942.

Free foreign exchange on December 30, 1944, amounted to £T50,789,210 (none indicated for January 1944), while other foreign exchange totaled £T3,856,389 against £T96,806,000, the latter decline being attributed to reduced operations with "clearing agreement" countries, of which Germany was the most important.

Budget Large

Budget estimates remained at record levels, the total expenditures authorized for 1944–45 (June 1 to May 31) amounting to £T952,434,417 (of which extraordinary were £T382,000,000) and anticipated receipts to £T901,511,000 (£T331,075,500); the respective figures for 1943–44 were £T955,467,349 (£T468,750,000) and £T888,720,000 (£T402,000,000). The 1944–45 budget was subsequently amended by adding £T2,693,664 to the ordinary and £T5,459,000 to the extraordinary accounts. Since the 1944–45 budget was approved, the Turkish Government adopted the calendar year for financial purposes in place of the present fiscal period ending May 31. Adjustments in budget accounts will be made during 1945.

The unpaid assessments under the capital tax levy (know as "The Varlik"), estimated at £T100,000,000, were canceled in March 1944 by the Grand National Assembly, and persons serving forced-labor terms for failure to make such payments were released from various camps. Since the passage of this law (in November 1942), which fell heavily on minority groups and resulted in liquidations of a number of old-established commercial houses and changes in ownership of many business firms, collections totaled £T316,000,000.

German Banks Liquidated

The liquidation of the two German banks operating in Turkey—Deutsche Bank, Istanbul, and Deutsche Orientbank, Istanbul (with branch at Izmir)—had no perceptible effect on financial conditions. Following the break with Germany there were short periods of heavy withdrawals, but these were met without difficulty. Although relations with Germany were severed in August, these institutions did not wind up their affairs until forced to, in December, when their accounts were transferred to other banks.

The six German insurance companies operating in Turkey were also ordered in November to liquidate; their business was transferred to other companies, chiefly Turkish.

Credit Cautious

Credit operations were on a conservative basis, although the demand was small, in consequence of the large volume of cash transactions. Bank deposits continued to increase, the total for the 12 largest banks amounting to £T458,300,000 in June 1944 (latest available) as compared with £T425,200,000 a year earlier. Total bank investments on the respective dates amounted to £T600,000,000 and £T508,000,000, the largest gain occurring under "Government bonds," which rose to £T236,800,000 from £T197,400,000.

Gold prices fluctuated widely during the year, the Turkish gold pound being quoted in January 1944 at 37.40 Turkish paper pounds and 35.11 (low for year) in December, compared with a high of 43.24 in April. Large quantities of gold were brought into the country in recent years from Germany, and the German banks were heavy traders in this commodity.

Foreign exchange remained under strict official control. Restrictions on the granting of letters of credit were tightened somewhat in Turkey toward the close of the year.

News by COUNTRIES

(Continued from p. 23)

cas del Toro, Panama, has been completed, but service to and from this point has not yet been inaugurated. These facilities will provide greater convenience for air passengers between Panama City, David, Puerto Armuelles, and the city of Bocas del Toro, who heretofore have had to go via Sixaola and San Jose, Costa Rica, in traveling from Puerto Armuelles to Changuinola.

Peru

Transport and Communication

Aviation Developments.—During the first 6 months of 1944, air lines in Peru carried 28,754 passengers and flew 2,330,000 kilometers, as compared with 50,906 passengers and 4,344,000 kilometers in the entire preceding year. In the first half of 1944, 468 metric tons of cargo, 21 tons of mail, and 55 tons of parcel post were carried (including only items originating and terminating in Peru). During the 12 months of 1943, 807 tons of cargo, 31 tons of mail, and 120 tons of parcel post were flown.

Extensive improvements were made to Limatambo airport (Lima) during 1944. Two asphalted runways in the form of an X were built, one 6,544 feet long and the other 6,006 feet long, and an extensive lighting system was installed. Work is to begin shortly on an elaborate passenger station at a cost of $431,000 (U. S. currency). Construction was continued on the Iquitos airport, and it is scheduled to be placed in use in 1945. It is hoped to make this an important link in two projected international air routes—one from coastal Peru to the mouth of the Amazon in Brazil and the other from Panama to Buenos Aires via an inside route just east of the Andes. Construction and improvement work was continued throughout 1944 on numerous other airports in Peru.

Spain

Transport and Communication

Port Entries and Clearances.—During 1944, 1,315 Spanish ships having a displacement of 1,000 tons or more entered the ports of Seville, Cadiz, Huelva, and Algeciras, and 1,295 cleared from those cities, as compared with 1,243 entered and 1,227 cleared in 1943. Foreign ships having a displacement of 1,000 tons or more which entered and cleared from Spanish ports numbered 29 in 1944, a decline of 6 from the preceding year.

Sweden

Commercial Laws Digests

Revised Corporation Law.—Swedish legislation pertaining to share companies (corporations) has been revised by laws of September 14, 1944, published as Nos. 705–709 in Svenska Forfattningsamling of November 1, 1944.

The changes are intended to modernize and improve existing legislation and, for the most part, are to become effective on January 1, 1948, though some provisions become effective earlier.

United Kingdom

Transport and Communication

Plans for New Drydock Approved.—Plans for the erection of a new drydock at Dundee, Scotland, have been approved by the Dundee Harbor Trust, according to the foreign press. The site proposed is to the east of the Caledon shipyard. The drydock, which will be 650 feet long and 85 feet wide with a depth over the keel blocks of 27 feet, will be the largest in the country north of the Tyne, it is reported.

Uruguay

Tariffs and Trade Controls

Hare and Rabbit Skins: Importation Authorized.—Hare and rabbit skins to be processed have been authorized importation into Uruguay until further notice, according to a decree dated April 24, 1945, published in the Diario Oficial of May 4, 1945.

[For announcement of a decree reducing the import duty on hare and rabbit skins, see FOREIGN COMMERCE WEEKLY of May 12, 1945.]

Soft Water Shells for Making Buttons: Included in Raw Material Schedule of the Customs Tariff.—Soft water shells for use in the manufacture of buttons were included in the raw materials schedule of the customs tariff of Uruguay, for a period of 1 year beginning April 20, 1945, to be dutiable at 10 percent plus a surtax of 16 percent of the c. i. f. Montevideo value, according to a resolution dated April 20, 1945, published in the Diario Oficial of April 24, 1945.

Trade-Mark Applications

Brazil.—Notice of applications for registration of the following trade-marks was published in the Diário Oficial. Opposition must be filed within 60 days from the date of publication:

Trade-mark	Class No. and product	Date of publication
		1945
Colonial	49—Games and toys of all kinds. Sporting goods and wearing apparel exclusively for sports.	Mar. 24
Nafrol	2—Insecticides and disinfectants.	Do.
Formalina	2—Chemical substances used for agricultural and horticultural, veterinary and sanitary purposes.	Do.
Cidia	21—Vehicles and their parts 6—Machines (except agricultural) and their parts, for all ndustrial purposes. 12—Hardware and tubes of all kinds. Small metal articles. Other articles of metal not specified in other classes. 11—Cutting and perforating instruments. 8—Radios, refrigerators, electric apparatus and measures.	Do.
Cidix	6-8-11-12 and 21—Commercial	Do.
Senior	36—Various kinds of hats	Do.
Atlas	21—Bicycles	Do.
Flyer	....do....	Do.
Perfect	....do....	Do.
Fox	2—Chemical substances used for agricultural and horticultural, veterinary and sanitary purposes.	Do.
Brosol	47—Lubricating oils	Do.
Rex	36—Silk stockings	Do.
Venus	53—Brushes	Do.
Seal	48—Essences, perfumes, lotions and scented soaps.	Do.
Son-er-it	8—Radios, radio parts and accessories, and television.	Apr. 3
Quinfix	48—Commercial name	Do.
Coral	46—Common soap	Do.
Rubifort	3—A pharmaceutical product.	Do.
Poly-Carvão	3—A pharmaceutical specialty.	Apr. 11
Poly-Carbon	....do....	Do.

Chile.—Notice of applications for registration of the following trade-marks was published in the Diario Oficial of May 2, 1945. All are in class No. 75, Drugs and Pharmaceutical Products. Opposition must be filed within 30 days from date of publication:

Trade-mark	
Lilutin.	Medicamenta Vera P. D. & Co.
Telan.	
Oleo-Bismol.	Graminon.
Lertigon.	Dithane.
Vectrin.	Dy-dytol.
Siblin.	D. D. Tiazol.
Sarniferol.	Liturina Granulada
Desarnil.	Albion.
Aliburnina.	Uvidin.
Elegue.	Chademin.
Exagam.	Deavical.
Gamax.	Bismatil.
Gifaril.	Vegex.
Agrilan.	Vegetal.
Lactagrin.	Alcanol.
Agrisol.	Antican.
Acrisal.	Biol.
Aloptin.	Pulmo Narom.
Alcalinase.	Estafiloom.
Amitrovit.	Pioom.
Angisclerol.	Eberthom.
Angivit.	Eubacteriasom.
Benaion.	Nefroom.
Bilartin.	Omhidantoina.
Coronarit.	Viscumom.
Diaminol.	Crataegusom.
Desanilit.	Rea.
Desindol.	Academ.
Desindal.	Escabiol.
Diasteritan.	Bellafen.
Dilartin.	Bellatal.
Eucardil.	Bellasin.
Hidral.	Atrofen.
Isotan.	Atronal.
Movistol.	Atrotal.
Movistal.	Atrolumin.
Lactavin.	Bellalumin.
Movitest.	Atrofenal.
Nicordamin.	Mucol.
Neostal.	Atroneurin.
Neotin.	Moltacil.
Neosin.	Tiocil.
Prodesin.	Turacil.
Solacrin.	Thiocil.
Sindrastol.	Ioracil.
Teocedrin.	Thiracil.
Vaciderm.	Amolin.
Vidermatin.	

Contributors' Column

Gladys G. Chaney ("War-Torn Low Countries' Bulb Industry and Trade").—Born in Salem, N. Y. Attended public schools in Washington, D. C. Entered the Bureau of Education in December 1917. Resigned in 1924 and reentered government service in October 1926 with the Bureau of Foreign and Domestic Commerce. Has held various positions in the Foodstuffs Division; now Economic Analyst in that Division.

Robert J. deCamp ("New Transandean Railway to Link Chile-Argentina").—Born in Madisonville, Ohio. Educated in New York schools and prepared for college at Union Classical Institute. Entered general contracting business and engaged in the building of railroads and other heavy construction works. Later entered the field of investment banking, associated with the National City Bank of New York and later with the Chase National Bank of New York, specializing in the financing and reorganization of large industrial corporations; also concerned in the construction and operation of railways, public utilities, and the like. Spent more than 10 years in extensive travel in European and Latin American countries, engaged in the negotiation of important financial transactions. Joined the War Production Board in December 1941, and in December 1942 was called to the Office of the Coordinator of Inter-American Affairs as Director of Rail Transportation, in charge for that Office of all matters pertaining to rail transportation south of the Rio Grande, including Mexico and Central and South America.

Edward B. Lawson ("Turkey: Economic Trends in the Year of War's Crisis").—Born Newport, Tenn. Georgetown University, B. S. (Foreign Service) 1924; M. S. (Foreign Service) 1925. United States Army 1918–19; oversea service. The Bureau of Foreign and Domestic Commerce 1926–27; assistant trade commissioner 1927–30 and trade commissioner at Johannesburg 1930–35; trade commissioner at London 1935–37; appointed commercial attaché at Prague (Praha) August 26, 1937. Delegate to the twenty-fourth session of the International Institute of Statistics, Prague, 1938. Foreign Service officer of class five July 1, 1939; to the Department, temporary, and detailed to the Department of Commerce, September 18, 1939. Consul and secretary in the diplomatic service November 16, 1939; commercial attaché at Managua January 11, 1940; commercial attaché at Ankara since February 3, 1944.

L. N. Markwood ("Markets Abroad for American Insecticides").—Born, New York City. Graduate of Case School of Applied Science, Cleveland, Ohio, in Chemical Engineering. Chemical warfare service in World War I. Previous federal service with Department of Agriculture and Tariff Commission. Twenty years experience as research worker and professional consultant in the field of insecticides and drugs, specializing in arsenic, nicotine, alkaloids, tobacco. Author of 25 scientific publications and holder of 5 patents. President, Washington Chapter, The American Institute of Chemists. Entered Bureau of Foreign and Domestic Commerce in 1942.

Sarah C. Saunders ("What Imports Mean to Small Businessmen").—Born at Rockymount, Va. B. S. Roanoke College, M. A. Columbia University. Engaged in high-school work in Virginia for 20 years as administrator, teacher of English and Social Science, and Senior Counsellor. With the Bureau of Foreign and Domestic Commerce since October 1942; now Economic Analyst in the Division of Small Business.

News by COMMODITIES

(Continued from p. 35)

Annual production of cigarettes averages 67,992,000 packages (20 cigarettes each). The cigarette industry is from 90 to 95 percent mechanized. There are no labor nor machine shortages, and until 1944 the leaf supply was sufficient. Only native leaf is used in the manufacture of cigarettes in Rio Grande do Sul. For the past 2 years there have been shortages of packaging materials and cigarette paper. There are no official entries of cigarettes from the United States, but during the war cigarettes from the United States have been more commonly seen. Availability and cost are the main factors affecting demand for United States cigarettes and cigars. Duties are not considered excessive.

Cigars from Baia and locally made ciharilhos, or small hand-made cigars, are smoked in the State, but consumption is insignificant. No United States cigars are sold. The chief problems affecting cigarette and cigar distribution are transportation and lack of packaging materials.

Of the estimated 3,000 metric tons of twist tobacco produced in the State, 2,000 tons are consumed in Brazil and an average of 500 to 1,000 tons sent to Uruguay. Pipe-smoking mixtures are imported from the United States and there is some domestic production, but little chewing or snuff tobacco is used.

What Imports Mean to Small Businessmen

(Continued from p. 5)

mally a considerable number of the cigars manufactured in America are made in small factories, which have been seriously hurt by restricted shipping conditions, as well as by other circumstances. Of the amount of cigar leaf filler available from Cuba, our chief source at present, the smaller factories are likely to get only a small portion, if any, under quota rates, which are only half the regular rates of duty. From 5 to 8 percent of a 100-percent blend in cigarettes was formerly made up of aromatic tobaccos from Turkey, Bulgaria, or Greece. After the Germans overran Europe, Turkey was the chief source of this grade of tobacco, and again small manufacturers have had difficulty keeping up their reserves.

A shortage in imported tobacco supplies is one of many factors which have caused retailers of cigarettes and cigars, the majority of whom are small dealers, untold trouble in unfilled customer demand. Decreased military demand—if such were possible—would bring relief to civilian consumers, but the small manufacturers will be able to get their necessary supplies of imported tobaccos only when restrictions on shipping facilities are lifted and the devastated countries have had time to go back to tobacco cultivation.

An import liquor business with a yearly retail value of probably $150,000,000, much of which consisted of imports from Europe, was cut seriously by the war. Liquors are retailed predominantly in small stores. Many customers, knowing that very small quantities of French liquors have already been shipped into this country, are probably waiting with some impatience for normal shipping conditions to restore the supply of imported bottled goods.

Salient Examples in Metals

Nearly all producing of metals in semi-finished form is done by large companies. But much of the fabricating is done in small plants, and small businessmen are consumers of many metal products. For example, for every one mill manufacturing steel in the United States, there are likely to be hundreds of small foundries or forges and thousands of businessmen, large and small, who are dependent on products fashioned from steel. The welfare of the small businessman is, therefore, tied in with steel; and the fact that imports of chrome, nickel, tungsten, manganese, and cobalt are necessary constituents of certain steel-manufacturing operations ceases to be a matter of importance only to the original producer.

Millions of dollars' worth of chrome ore and nickel, which are necessary in the manufacture of stainless steel, were brought into the country in 1941. It is probable that even more will be needed in the postwar period to take care of normal needs for stainless steel and also to produce all the household articles which manufacturers expect to put on the market.

The small sheet-metal and machine shops need good cutting tools. The best of these are fabricated from alloy steels which include tungsten, molybdenum, and vanadium produced in foreign lands.

Bauxite, the ore from which aluminum is extracted, is imported in large quantities. Aluminum household articles, which were formerly sold in thousands of small retail stores, have disappeared during the war. The aluminum manufacturers are perfecting plans for making new and different consumer items as soon as civilian production can be resumed. And in these projects Surinam (Dutch Guiana) and other oversea sources will play a big role.

Asbestos, used for fire-resistant and insulation purposes; industrial diamonds, used for polishing and drilling; tantalum, used in electronic tubes for radar equipment, in chemical apparatus in which acid-resisting properties are important, and now called the "wonder metal" because of its uses in surgery (wire to unite severed nerves, pins for setting broken bones, plates for fractured skulls, and so on); beryllium, mixed with copper to make springs; mica and quartz crystals, used in various electrical operations and devices; kyanite, a refractory used to line furnaces—all these have become vital in our way of living and *we have to import them.*

Tin to a volume of 183,000,000 pounds was imported on a yearly average between 1936 and 1940. Production of cans and other tinware and of collapsible tubes for use in packaging toilet prepara-

(Continued on p. 43)

Announcements Under Reciprocal Trade Agreements Acts

Trade Agreement Calendar

Trade Agreements Signed

Country	Date signed	Date effective
Cuba	Aug. 24, 1934	Sept. 3, 1934
Belgium (and Luxemburg)	Feb. 27, 1935	May 1, 1935
Haiti	Mar. 28, 1935	June 3, 1935
Sweden	May 25, 1935	Aug. 5, 1935
Brazil	Feb. 2, 1935	Jan. 1, 1936
Canada (see revised agreement below)	Nov. 15, 1935	Do.
Kingdom of the Netherlands (Netherlands in Europe, Netherlands Indies, Surinam, and Curacao)	Dec. 20, 1935	Feb. 1, 1936
Switzerland	Jan. 9, 1936	Feb. 15, 1936
Honduras	Dec. 18, 1935	Mar. 2, 1936
Colombia	Sept. 13, 1935	May 20, 1936
Guatemala	Apr. 24, 1936	June 15, 1936
France and its colonies, dependencies, and protectorates other than Morocco	May 6, 1936	Do.
Nicaragua [1]	Mar. 11, 1936	Oct. 1, 1936
Finland	May 18, 1936	Nov. 2, 1936
El Salvador	Feb. 19, 1937	May 31, 1937
Costa Rica	Nov. 28, 1936	Aug. 2, 1937
Czechoslovakia [2]	Mar. 7, 1938	Apr. 16, 1938
Ecuador	Aug. 6, 1938	Oct. 23, 1938
United Kingdom, including Newfoundland and the British Colonial Empire	Nov. 17, 1938	Jan. 1, 1939
Canada (revision of agreement of 1935)	do.	Do.
Turkey	Apr. 1, 1939	May 5, 1939
Venezuela	Nov. 6, 1939	Dec. 16, 1939
Cuba (supplementary agreement)	Dec. 18, 1939	Dec. 23, 1939
Canada (supplementary agreement) [3]	Dec. 30, 1939	Jan. 1, 1940
Canada (supplementary agreement)	Dec. 13, 1940	Dec. 20, 1940
Argentina	Oct. 14, 1941	Nov. 15, 1941
Cuba (supplementary agreement)	Dec. 23, 1941	Jan. 5, 1942
Peru	May 7, 1942	July 29, 1942
Uruguay	July 21, 1942	Jan. 1, 1943
Mexico	Dec. 23, 1942	Jan. 30, 1943
Iran	Apr. 8, 1943	June 28, 1944
Iceland	Aug. 27, 1943	Nov. 19, 1943

[1] The duty concessions and certain other provisions of this agreement ceased to be in force as of Mar. 10, 1938.

[2] The operation of this agreement was suspended as of Apr. 22, 1939.

[3] Superseded by supplementary agreement signed Dec. 13, 1940.

Summaries of the provisions of each individual agreement are published in FOREIGN COMMERCE WEEKLY promptly after signing. Complete files of the official analysis of each of the agreements, as well as the summaries published by this Department, are available for examination at all field offices of the Department of Commerce. Copies of such analyses or summaries for any particular agreement, figures for the United States trade with "Agreement Countries," and general information regarding the aims, procedure, and operation of the Reciprocal Trade Agreements Program may be obtained from the Trade Agreements Unit of the Bureau of Foreign and Domestic Commerce at Washington.

[A compilation of all changes in the import duties of the United States since the passage of the Tariff Act of 1930, including all duty reductions or bindings by the United States under the trade agreements signed to date, arranged by schedules and paragraphs of the Tariff Act has been prepared by the U. S. Tariff Commission in the form of a pamphlet. This is obtainable from the Superintendent of Documents, Washington 25, D. C., for 25 cents per copy.]

Countries With Which Intention To Negotiate Has Been Announced

Country	Date of issuance of notice	Latest date for submitting written statements	Date for oral presentation of views
Bolivia	Apr. 4, 1942	May 4, 1942	May 18, 1942
Paraguay	June 23, 1943	July 23, 1943	Aug. 4, 1943

[Detailed information, trade figures, and copies of the lists of products to which the United States announced it would give consideration for concessions, at the time of giving formal notice of intention to negotiate with each of the above countries, are available upon request to the Trade Agreements Unit, Bureau of Foreign and Domestic Commerce, or any of the field offices of the Department of Commerce, as well as from the Committee for Reciprocity Information or the Department of State.]

NOTE.—The above Trade Agreements Calendar will appear, for the present, in the issue nearest the middle of the month of FOREIGN COMMERCE WEEKLY, instead of each week as formerly.

Production of Hevea rubber in the Amazon Valley of Brazil during 1944 amounted to approximately 26,000 tons, a figure which represented about 86 percent of the average annual output during the peak years from 1910 to 1912. It is anticipated that the 1945 production will be even larger than that of 1944.

Latin American Exchange Rates

NOTE.—Averages are based on actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollar to the peso. The peso of the Dominican Republic, the Guatemalan quetzal, and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to a dollar.

Country	Unit quoted	Type of exchange	Average rate			Latest available quotation		
			1943 (annual)	1944 (annual)	January 1945 (monthly)	Rate	Approximate equivalent in U. S. currency	Date
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	$0.2681	Mar. 28, 1945
		Official B	4.23	4.23	4.23	4.23	.2364	Do.
		Bid	4.94	4.94	4.94	4.94	.2024	Do.
		Free market	4.06	4.03	4.04	4.04	.2475	Do.
Bolivia	Boliviano	Controlled	42.91	42.42	42.42	42.42	.0236	Mar. 31, 1945
		Curb	45.42	51.80	60.75	59.00	.0169	Do.
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	16.50	.0606	Apr. 2, 1945
		Free market	19.63	19.57	19.50	19.50	.0513	Do.
		Special free market	20.43	20.20	20.00	20.00	.0500	Do.
Chile	Peso	Special	19.37	19.37	19.37	19.37	.0516	Mar. 31, 1945
		Export draft	25.00	25.00	25.00	25.00	.0400	Do.
		Free market	32.37	31.85	31.71	31.70	.0315	Do.
		"D. P." [2]	31.00	31.00	31.00	31.00	.0323	Do.
Colombia	do	Commercial bank	1.75	1.75	1.75	1.746	.5727	Jan. 31, 1945
		Bank of Republic	1.76	1.76	1.76	1.755	.5698	Do.
		Curb	1.76	1.75	1.75	1.75	.5714	Do.
Costa Rica	Colon	Uncontrolled	5.65	5.66	5.67	5.67	.1764	Feb. 28, 1945
		Controlled	5.62	5.62	5.62	5.62	.1779	Do.
Cuba	Peso	Free	1.00	1.00	1.00	1.00	1.0000	Do.
Ecuador	Sucre	Central Bank (official)	14.10	14.06	13.77	[3] 13.77	.0726	Mar. 31, 1945
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	.4902	Do.
Mexico	Peso	Free	4.85	4.85	4.85	4.85	.2062	Feb. 28, 1945
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	.2000	Apr. 21, 1945
		Curb	5.16	5.72	6.65	7.17	.1395	Do.
Paraguay	Paper peso	Official	[3] 333.00					
	Guarani [4]	do	3.10	3.11	3.12	3.12	.3205	Feb. 21, 1945
Peru	Sol	Free	6.50	6.50	6.50	6.50	.1538	Feb. 28, 1945
Salvador	Colon	do	2.50	2.50	2.50	2.50	.4000	Apr. 7, 1945
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	.5263	Apr. 30, 1945
		Free	1.90	1.90	1.90	1.90	.5263	Do.
Venezuela	Bolivar	Controlled	3.35	3.35	3.35	3.35	.2985	Feb. 28, 1945
		Free	3.35	3.35	3.35	3.35	.2985	Do.

[1] Under law of Oct. 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. Since Nov. 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[2] Disponibilidades proprias (private funds).
[3] Used until Nov. 7, when the paper peso was replaced by the guarani.
[4] New currency unit instituted as of Nov. 8, 1943. Paraguayan central bank establishes a "legal rate" from which buying and selling rates may vary by 1 percent. Since July 13, 1944, the legal rate has been fixed at 3.09 guaranies to the dollar, resulting in buying and selling rates of 3.059 and 3.121, respectively.
[5] A decree of Nov. 18, 1944, fixed basic central bank buying and selling rates at 13.40 and 13.50 sucres to the dollar respectively, but the imposition at the same time of a 2 percent charge on all exchange transactions has resulted in effective buying and selling rates of 13.132 and 13.77.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

What Imports Mean to Small Businessmen

(Continued from p. 42)

tions has suffered from the virtual cutting off of our tin supply.

Need Many Kinds of Imports

On and on the story might go with a list of imported items almost as long as the sum-total of individual items which have been found necessary in our national economy. Some of our citizens used to maintain that the United States is a self-sufficient country; but a total war has shown that, to maintain the standard of living to which we are accustomed, we need many things from abroad. Small businessmen, as manufacturers, retailers, and consumers, have felt the pinch resulting from curtailed supplies of imported goods, and should benefit from the reopening of foreign sources of supply.

Trade Lists

The Commercial Intelligence Unit has recently compiled the following trade lists of which mimeographed copies may be obtained by American firms from the Bureau of Foreign and Domestic Commerce. The price is $1 a list for each country.

Alcoholic Beverages, Manufacturers—Peru.
Iron, Steel, and Building Materials, Importers and Dealers—East Canary Islands.
Machinery, Importers and Distributors—Chile.
Tanneries—Brazil.

British exports of perfumery and toilet preparations, and articles used in their manufacture (except perfumed spirits, essential oils and soap) amounted to 4,548,746 pounds in 1944, compared with 3,395,436 pounds in 1943, reports the British press.

British Columbia's Peat-Moss Output

The production of peat moss on a commercial basis in British Columbia began in 1929 when one firm commenced operations on a small scale. Six years later, three firms were producing peat moss for poultry litter and horticultural purposes. In 1942, the number of firms had increased to 13 having a total investment in lands, buildings, fixtures, machinery, operating capital, and stocks on hand of $2,442,642. The following year the number of firms declined to 11 and the capital investment to $1,563,805.

Most of the commercial bogs are situated on lowlands between Vancouver and New Westminster and adjacent to the Fraser River. It is roughly estimated that in this area, which has adequate transportation facilities, there are approximately 10,000 acres of bog land capable of sustaining production at current levels of 750,000 to 800,000 bales annually for the next 18 or 20 years.

Good commercial peat moss for horticultural purposes is obtained up to a depth of 3 feet. At greater depths, the peat tends to solidify, losing its absorbent qualities and being suitable for fuel only. It is the cutsomary practice for companies to operate their acreage so that peat harvesting on a designated bog will be continuous over a 10-year period. In addition, companies having the financial resources have found it expedient to hold in reserve additional acreage sufficient to constitute an additional 10 years' supply of peat.

One cubic yard of peat produces roughly 1⅓ bales, and on this basis the labor and incidental charges in connection with the extraction of one bale of peat moss generally measuring 20 by 20 inches by 36 inches are about $1.

The following table shows the volume and value of peat moss shipped from British Columbia in 1942 and 1943, and the purpose for which it was used:

Use	1942		1943	
	Short tons	Dollars	Short tons	Dollars
Horticultural	1,288	28,318	8,850	209,877
Poultry and stable litter	3,254	77,302	13,799	359,554
Metallurgy	23,927	549,774	12,974	347,900
Other uses	51	3,377	132	8,077
Total	28,520	658,771	35,755	925,408

Peat moss is usually shipped in air-dry condition, containing as a rule 30 to 35 percent moisture by weight. In some years precipitation is exceptionally heavy, preventing thorough air-drying. In such years, in order to meet commitments, peat moss having 40 to 45 percent moisture by weight has been shipped to buyers.

Unless new uses for sphagnum peat moss are developed, it is anticipated that sales to the United States, which account for nearly 90 percent of British Columbia's production, will decline in the postwar era.

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